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Laos, SRV, SNC Approve Mekong River Development

BK2801012993 Bangkok BANGKOK POST in English 28 Jan 93 p 8

[Text] Hanoi—The governments of Vietnam and Laos in addition to Cambodia's Supreme National Council have approved the agreement for cooperation in the development of the Mekong River that is to be signed here on February 5.

Vice Minister Phan Si Ky of the Ministry of Water Resources told the BANGKOK POST that he was informed of the progress by the United Nations Development Programme (UNDP).

The Thai Cabinet approved the agreement on Tuesday and appointed Deputy Foreign Minister Surin Pitsuwan to sign it on Thailand's behalf.

Vietnam will be represented by a vice foreign minister, Mr Ky said. Kithong Vongsai, deputy minister of trade and economic relation will sign the agreement on behalf of Laos.

According to Mr Ky, senior officials will engage in a two-day working group meeting after this landmark agreement is signed.

The working group will discuss questions of structure and mechanisms for future cooperation.

"I believe that there will be much progress in the Mekong cooperation scheme because we have already agreed on the principles and cooperative spirit," Mr Ky said.

Two preparatory meetings called by the UNDP in October and December made possible what is a return after a long absence of Cambodia's participation in development of the river's resources.

Sources attributed the positive turn of events to the UNDP's success in bridging differences between Thailand and Vietnam.

Mr Ky affirmed that Vietnam attached considerable importance to the participation of Cambodia.

"The exploitation of the Mekong River's resources must be carried out with the participation of Cambodia," he said.

"It is essential now that all Mekong River member endorse Cambodian participation in the process," he added.

The agreement to be signed on February 5 lays down broad principles for cooperation and sets guidelines for the working group on the future framework for cooperation.

Regional Meeting Shows Support for UN Arms Registry

OW2701131693 Tokyo KYODO in English 1234 GMT 27 Jan 93

[Text] Tokyo, Jan. 27 KYODO—A two-day workshop on conventional arms transfers on Wednesday [27 January] won "general support" among Asia-Oceanic countries for a United Nations arms registry, Foreign Ministry officials said.

But officials said the meeting also revealed lingering concern among some countries that their national security could be compromised with a listing in the U.N. Register of Conventional Arms.

Officials said that representatives of half of the 17 Asia-Oceanic countries taking part in the conference indicated clearly that their governments intended to make voluntary reports to the registry on their 1992 arms imports and exports. The registry, established in January 1992 at the initiative of Japan and the European Community, will enter the stage of actual implementation when the first reports due by the end of April are received.

Officials said that while representatives of some countries expressed a cautious attitude about the registry, they agreed it could be a useful tool to promote confidence-building provided it was global in application.

In particular, the officials said, doubts were expressed about the advisability of unilaterally revealing military data when it could prompt a neighboring country to acquire more arms in quest of a military edge.

Officials said that the workshop was of an educational nature, since many participating countries were not well-informed about the registry and was not intended to produce any concrete results.

Conference sources indicated that China, Pakistan and Myanmar [Burma] were among the countries with reservations about the registry, while Japan, Australia and New Zealand were openly suppotive.

Also represented at the workshop were Bangladesh, India, Indonesia, Malaysia, Mongolia, New Zealand, the Philippines, Singapore, South Korea, Sri Lanka, Thailand and Vietnam.

In addition to the 17 Asia-Oceanic countries, the Netherlands was represented as a chair country of a U.N. panel set up to consider the registry. North Korea was sent an invitation by the U.N. Office for Disarmament

Affairs, which cochaired the Tokyo meeting along with Japan, but it never replied.

Officials said some participants pointed out that arms transfers in Asia are especially conspicuous when compared with those in other regions. Others, they said, lauded the workshop as a significant step in the direction of a broader-scope regional political and security dialogue.

The workshop was one of four such promotional gatherings being held in different regions of the world.

Japan

U.S. Paper's Report on Armacost Rebutted

OW2901125293 Tokyo KYODO in English 1232 GMT 29 Jan 93

[Text] Tokyo, Jan. 29 KYODO—Foreign minister Michio Watanabe is likely to meet with U.S. President Bill Clinton during his February 11-14 visit to Washington, Foreign Ministry sources said Friday.

The meeting would represent the first contact between a cabinet-level Japanese official and the U.S. leader since Clinton's inauguration on January 20.

Sources said that Watanabe is scheduled to hold talks on February 12 with new U.S. Secretary of State Warren Christopher for their first get-together.

Efforts are also being made to schedule meetings with as many cabinet officials as possible, including Treasury Secretary Lloyd Bentsen and Defense Secretary Les Aspin, the sources said.

Watanabe's talks with Clinton and Christopher are expected to lay the groundwork for an anticipated visit to Washington by Prime Minister Kiichi Miyazawa.

Earlier Friday, Foreign Ministry Spokesman Masamichi Hanabusa told foreign correspondents that Japan is "very anxious that the two nations meet at the highest level and discuss not only bilateral but global issues of mutual concern."

Hanabusa rebutted a LOS ANGELES TIMES report Thursday that said U.S. Ambassador to Japan Michael Armacost earlier this month "served notice that (Miyazawa) should not expect to meet with the new president until after Japan takes concrete new steps to help ease the massive trade imbalance."

"We are not aware of any such statements made by Mr. Armacost," Hanabusa said, contradicting a January 12 explanation by a senior ministry source to KYODO News Service and other media that the U.S. envoy had cautioned that Miyazawa should not go to Washington "with an empty briefcase."

"With regard to the L.A. TIMES report that the new U.S. Administration is setting some preconditions for the meeting with Prime Minister Miyazawa, this is not the case at all," the spokesman said.

Hanabusa cited confirmations to that effect given Thursday by White House and State Department spokesmen.

Armacost had been quoted by the source as saying Miyazawa must reveal concrete measures to expand domestic demand and reduce Japan's ballooning trade surplus, such as a lowering of the income tax rate as a means of spurring consumption.

The envoy also urged that Miyazawa signal Japan's resolve to take the initiative to bring the Uruguay Round of multilateral trade talks to a successful conclusion, namely by replacing its outright ban on rice imports with tariffs.

Finally, Armacost advised, Miyazawa should be prepared to elaborate on ideas in Japan to create a new mechanism for economic and trade dialogue to succeed the Structural Impediments Initiative (SII), according to the source.

Tokyo 'Resentful' Over U.S. Steel Tariffs

OW2901100893 Tokyo KYODO in English 0959 GMT 29 Jan 93

[Text] Tokyo, Jan. 29 KYODO—Japan is "puzzled and resentful" by the United States Government's decision Wednesday to slap provisional tariffs of nearly 27 percent on Japanese steel exports, a Foreign Ministry spokesman said Friday.

The spokesman, Masamichi Hanabusa, also warned that if the antidumping measure is intended as "a kind of bar to international trade," it would be "a serious business."

"We (the Japanese Government) and our industries are puzzled and resentful of this latest development," Hanabusa told foreign correspondents at a regularly scheduled press conference.

"The Japanese iron and steel industries have been cooperating with American counterparts in scores of cases of trying to reinvigorate the American iron and steel industry, so this goes against that friendly spirit," he said.

He said the Japanese Government's statements Thursday of "deep regret" over the preliminary ruling by the U.S. Commerce Department are being conveyed directly to relevant government agencies in Washington, including the White House.

Hanabusa said the ruling is puzzling because Japanese exports to the U.S. of the items in question have steadily declined over the past three years in line with the government's policy of voluntarily restraining steel exports.

The spokesman said Japan, having itself imposed antidumping duties on a Chinese steelmaking material earlier Friday, considers it fair to apply duties in accordance with the rules of the General Agreement on Tariffs and Trade (GATT).

But Japan is concerned, he said, by the practice of "departing from accepted rules and applying antidumping duties in the hope that imports can be stemmed."

Hanabusa said it would be "premature to draw any definite conclusion about an isolated case," on the direction of U.S. trade police under President Bill Clinton.

"This has been going on for some time and I think the commerce department proceeded in accordance with laws and regulations on this matter," he said.

He said Japan's antidumping move against China reflected the extent to which Japan has become affected by the increase in international commerce and in the degree of interdependence among trading nations.

"With the opening up of our markets like other advanced countries, our markets are now subject to the danger of underpriced sales by foreign exporters," he said.

Antidumping Duties Set on PRC Ferroalloy

OW2901010093 Tokyo KYODO in English 0042 GMT 29 Jan 93

[Text] Tokyo, Jan. 29 KYODO—Japan decided Friday to impose antidumping duties on ferrosilicon manganese imported from China effective next Wednesday, accusing Chinese companies of selling the steelmaking material in Japan at unfairly low prices, the trade minister said.

The decision to slap 4.5 to 27.2 percent duties on the Chinese imports, formally made at Friday's cabinet meeting, represents the first time Japan has set antidumping duties on imports from a foreign country, Yoshiro Mori, head of the Ministry of International Trade and Industry (MITI), said at a news conference.

The unusual move may be viewed as a substantial turning-point of Japanese trade policies and cause a sensation overseas, MITI officials said.

In October 1991, the Japan Ferroalloy Association filed a complaint alleging China, Norway and South Africa were dumping ferrosilicon manganese in Japan.

MITI and the Finance Ministry then carried out an investigation into the allegation by collecting relevant documents and data from exporters, importers and users concerned, the officials said.

A final finding of the investigation was endorsed at Thursday's meeting of the Customs Tariff Council, an advisory body to the finance minister, they said.

The finding estimated that the dumping margin between prices on home markets and export prices ranged between 4.5 and 27.2 percent for Chinese exporters, 10.5 percent for a Norwegian firm, and 0.8 and 1.8 percent each for two South African companies, they said.

The government decided not to levy antidumping tariffs on two of the Chinese companies because they promised to raise their export prices, the officials said.

The government also decided not to impose duties on the Norwegian firm and the South Africans because imports of the material from these firms were not seriously damaging the domestic industry, they said.

They said despite the finding that Norway was also dumping, the volume of imports from the country was quite small, and dumping margins by the South African firms were very narrow.

On the other hand, the government came to the conclusion that imports from China could have hurt the domestic industry, judging by a rapid increase in their share of the Japanese market from 17 percent in 1989 to 39 percent in 1991, they said.

The Chinese companies' selling prices in Japan dropped from 97 in 1989 to 75 in 1991 against the 1989 base of 100 for domestic products, while the domestic industry fell into the red, they said.

In line with the nation's proceedings to impose antidumping duties, a final decision on imposing the duties was supposed to be made at the end of last November, one year after the investigation started late in November 1991, they said.

But the government extended the investigation by two months until this month on the ground that a careful by-the-book approach required more time, they said.

Ferrosilicon manganese, a kind of ferroalloy, is used in the production of alloy steel as a deoxidizing and desulfurizing agent.

Minister Explains Duties Decision

OW2901014993 Tokyo KYODO in English 0138 GMT 29 Jan 93

[Text] Tokyo, Jan. 29 KYODO—Finance Minister Yoshiro Hayashi said Friday the decision by the Japanese Government to impose antidumping duties on Chinese ferrosilicon manganese is based on international rules and will not constitute a trade barrier.

Hayashi, speaking at a regular press meeting after the morning cabinet conference, said the first move by Japan to impose antidumping duties on imported goods is wholly in accordance with Japanese relevant laws and does not represent a change in Japan's policy on trade.

The Japanese Government will impose the duties on the products effective Wednesday. Ferrosilicon manganese is a kind of ferroalloy used in the production of alloy steel as a deoxidizing and desulfurizing agent.

The finance minister reiterated that his opposition to cut income taxes has not changed despite reports from local finance bureau chiefs at their two-day meeting in Tokyo that such requests are mounting in regional areas due to the spread of the economic slowdown.

Dumping Case Said Economic Issue

OW2901032393 Tokyo KYODO in English 0308 GMT 29 Jan 93

[Text] Tokyo, Jan. 29 KYODO—The Finance Ministry hopes Beijing will consider Tokyo's decision to impose antidumping duties on a Chinese steelmaking material as solely an economic issue and not turn it into a political problem, ministry officials said Friday.

A ministry official briefing reporters said Japan's decision to place duties on ferrosilicon manganese imported from China was based on an inspection conducted fully in accordance with the General Agreement on Tariffs and Trade (GATT) and related domestic laws.

The levies, which range between 4.5 and 27.2 percent and go into effect Wednesday, will be the first antidumping tariffs that the Japanese Government has imposed on imported products.

He added that the Japanese Government gave China an opportunity to make claims at the final stage and the measure was not suddenly announced unilaterally.

The official said similar problems could arise in the future as China proceeds with liberalization of its economy, and he expressed hope that Beijing will take the matter as a purely economic problem.

Citing the fact that China is currently striving to become a GATT member, "It may become a good lesson for the country, although (it) may have already learned a lot over its conflicts with the United States and the European community," the official said.

The official said he is not sure about the chances of China attaining GATT membership soon, but added, "there seems to be a considerable amount of development" on the Chinese side.

Similar inspections were conducted on the same product imported from Norway and South Africa, but the ministry concluded there was no evidence of damage to the domestic industry caused by imports from those countries.

Ferrosilicon manganese, a kind of ferroalloy, is used as a deoxidizing and desulfurizing agent in the production of alloy steel.

Industry Welcomes Penalty Tariffs

OW2901033493 Tokyo KYODO in English 0311 GMT 29 Jan 93

[Text] Tokyo, Jan. 29 KYODO—The Japanese ferroalloy industry welcomed Friday a government decision to impose penalty duties on ferrosilicon manganese imported from China.

The Ministry of International Trade and Industry said it will slap 4.5 to 27.2 percent duties on the Chinese imports, claiming that the steel-manufacturing material has been sold at unfairly low prices in Japan causing damage to the domestic industry.

Trade Minister Yoshiro Mori told reporters the government decision is a justifiable countermeasure against unfair trade practices since it is designed to maintain world trade order.

The Japan Ferroalloy Association welcomed the government decision, saying it affirmed industry's claims that low-price imports from China have caused damage to domestic makers.

Japan Metals and Chemicals Co., Japan's top ferroalloy maker, said it is expected to suffer a loss for the third straight year in its business year ended last December.

The anticipated loss is attributable mainly to sluggish demand for steel products on the domestic market, but low-price imports undoubtedly are an adverse factor.

Japan's ferrosilicon manganese imports from China in 1991 surged 21.7 percent over the previous year, accounting for 39.1 percent of domestic consumption.

Kazuzo Kobayashi, president of the Japan Ferroalloy Association, told a news conference "We thank the government for taking resolute action."

It is the first antidumping action to be taken by Japan against low-priced imports.

Kobayashi, who is president of Japan's second-largest ferroalloy maker, Nippon Denko Co., indicated the industry may ask the government to take similar action against imports from Brazil and the former Soviet Union.

"We are keeping a close watch" on imports from Brazil and the Commonwealth of Independent States, he said.

Foreign Ministry Expresses Concern to Croatia

OW2901060693 Tokyo KYODO in English 0552 GMT 29 Jan 93

[Text] Tokyo, Jan. 29 KYODO—Japan has conveyed concern to Croatia over its recent offensive against ethnic Serbian forces in United Nations "protected areas" in the former Yugoslav Republic, a Foreign Ministry spokesman said Friday.

Spokesman Masamichi Hanabusa told foreign correspondents the message was conveyed to Croatia through the Japanese Embassy in Austria on January 27.

Croatia was told that Japan "Could not countenance the use of force by Croatia," which has been attacking Serb-held territories since January 22.

Hanabusa said Japan appealed to Croatia "To respect efforts being made for a peaceful solution to the conflicts in the former Yugoslavia based on UN resolutions and the rights of minorities."

He said Japan intends "to continue close consultations with relevant countries in the UN Security Council" on the situation. Japan, a nonpermanent member, is chairing the council for the month of January.

The UN is reportedly considering withdrawing its 16,000 peacekeepers in Croatia for safety reasons. The Security Council may impose sanctions on Croatia if its army does not withdraw to their original positions.

The Croatian Army is attempting to regain territory Serbs refused to return under the UN-brokered truce that ended a six-month civil war in Croatia a year ago.

French Official on Issue of Former Yugoslavia

OW2901132893 Tokyo KYODO in English 1317 GMT 29 Jan 93

[Text] Tokyo, Jan. 29 KYODO—French parliamentary chairman Henri Emmanuelli asked other European countries Friday to intervene militarily with French troops in the former Yugoslavia to block a further onslaught by Serbian troops.

"France would conduct a military intervention under the United Nations' auspices if other European nations agreed to take the same step," the president of the French National Assembly told reporters at the Japan National Press Club.

"I want other countries to risk sacrificing the lives of young military servicemen, too, rather than only France," he said.

He made the remarks in response to a question about a statement by Bernard Kouchner, French health and humanitarian affairs minister, in favor of intervention.

Kouchner has argued that the international community has a "duty to assist people in danger."

Emmanuelli said, however, that Kouchner's view "does not represent the position of the French Government."

An eight-ship French Navy task force, led by the aircraft carrier Clemenceau, is heading for the Adriatic coast following the killing of two French U.N. peacekeepers deployed in the former Yugoslavia.

The assembly president said he believes the dispatch is designed to defend the lives of French peacekeepers.

Emmanuelli specifically mentioned Germany as a possible partner in such a military intervention.

Noting Germany has sought to honor a constitutional ban on overseas use of its force, he said France "has been requesting Germany to take joint actions to resolve regional conflicts."

"I hope French and German troops will jointly take military action under the banner of the United Nations," he said.

French President Francois Mitterrand and former U.S. President George Bush last year completed a plan to shoot down Serbian warplanes intruding into a "no-fly zone" over Bosnia-Hercegovina to protect its people from Serbian attacks.

Caution Advised on Constitution Revision Issue

OW2901035393 Tokyo KYODO in English 0342 GMT 29 Jan 93

[Text] Tokyo, Jan. 29 KYODO— Chief Cabinet Secretary Yohei Kono reminded cabinet ministers Friday that Prime Minister Kiichi Miyazawa has no intention of revising the Constitution, and cautioned them to avoid creating public misunderstandings.

The warning came amid repeated calls by Foreign Minister Michio Watanabe for Japan to consider whether it can engage in collective security activities under the United Nations.

The government has never determined whether Article 9 of Japan's Constitution, which bans the use of force to resolve international conflict, would bar Japan from joining a UN militia should one be formed.

"It is meaningful for citizens to take an interest in the Constitution and engage in discussion, however at the present stage revising the Constitution is not on the cabinet's political agenda," Kono said he told cabinet members.

Kono told a news conference he distributed a written summary of Miyazawa's views on the Constitution, and urged cabinet members to avoid comments that might lead to misunderstandings.

Miyazawa regards the Constitution as embodying principles of democracy, peace, and fundamental human rights, principles that should be upheld in the future, Kono said.

The top government spokesman told reporters he is concerned that media reports may create the impression that cabinet members see a need for revising the Constitution.

He denied that any cabinet members are seeking immediate revision of the charter.

Labor Minister Masakuni Murakami proposed to cabinet members that they engage in freer discussion on the controversial issue, Kono said.

Watanabe told reporters after the meeting that he believes Japan can expand its cooperation with the United Nations and address security issues without touching the Constitution.

Early revision of the Constitution is regarded as highly unlikely because the ruling Liberal Democratic Party is unlikely to muster the two-thirds support needed for the parliament to approve amendments.

Miyazawa Renews Call for Political Reform

OW2901051393 Tokyo KYODO in English 0447 GMT 29 Jan 93

[Text] Tokyo, Jan. 29 KYODO—Prime Minister Kiichi Miyazawa renewed a call on Friday for a thorough investigation of the Tokyo Sagawa Kyubin money-and-mob scandal and harped on a pledge for a sweeping political reform to bar the recurrence of political scandals.

"The Sagawa affair must be unraveled...I have no intention to halt efforts to probe the Sagawa scandal," Miyazawa told the House of Representatives Budget Committee.

He also repeated his calls for full-blown political reform to prevent political scandals in the future.

"Political reform is more important than getting to the heart of the scandal. With comprehensive reform, we can lay the groundwork so that such problems do not happen again," the premier said.

Miyazawa made the statement in reply to interpellations by Yuichi Ichikawa, secretary general of Japan's No. 2 opposition Komeito.

On former Prime Minister Noboru Takeshita's alleged links to mobsters in connection with his rise to premier in 1987, Miyazawa indicated the allegations were dispelled when party executives found nothing new in their inquiry of Takeshita in December.

Takeshita is reported to have gained help from a gangland boss via former political don Shin Kanemaru to squash a right-wing group's smear campaign against him five years ago. At the time, he was seeking the LDP presidency, a post that enabled him to become premier.

Takeshita has denied the allegations, saying he learned in December 1988 of intervention by Susumu Ishii, the late leader of the Inagawa-kai crime syndicate, in silencing the anti-Takeshita campaign that threatened his bid for the LDP presidency.

While Ichikawa said Takeshita should shoulder political and moral responsibility for the affair, Miyazawa said it is up to Takeshita himself whether he should take responsibility for the scandal.

"Whether or not he feels responsible for what he did not intend to do depends solely on how he views the matter," he said.

The Komeito secretary general, unsatisfied with Miyazawa's reply, unveiled a plan to submit a motion calling for Takeshita's resignation from the Diet during the current 150-day regular Diet session, which opened January 22.

He also demanded that six persons allegedly involved in the scandal, including Takeshita and Kanemaru, be summoned as sworn witnesses to testify in the Diet.

At a lower house budget committee's executive meeting, the LDP later showed readiness for the Diet testimony, with ruling and opposition parties discussing who should be called to the Diet.

Kanemaru, who was behind the appointments of at least two prime ministers, retired from politics last October due to a public furor over his acceptance of 500 million yen in illicit funds. Kanemaru accepted the donation from Tokyo Sagawa Kyubin Co., an express parcel delivery firm at the center of what is one of the biggest political scandals in post-war Japan.

He was convicted of violating the Political Funds Control Law that bars politicians from accepting more than 1.5 million yen from a corporation or individual in a year. He eventually paid a fine of 200,000 yen.

More Charges for Kanemaru Payout Ruled Out

OW2901122493 Tokyo KYODO in English 1149 GMT 29 Jan 93

[Text] Tokyo, Jan. 29 KYODO—Prosecutors reached a final decision Friday against indicting disgraced ruling party power broker Shin Kanemaru and more than 60 Diet members over money he reportedly distributed to them from an illegal political donation, sources close to the investigation said.

They had reexamined the case after criticism from a judicial watchdog body of their decision not to file charges over the sharing out of the money.

Kanemaru admitted receiving the money from the defunct trucking firm Tokyo Sagawa Kyubin and paid a 200,000 yen fine last September in a summary prosecution. He later quit the Diet.

The watchdog body, called the No. 1 Tokyo committee for the inquest of the prosecution, said on January 13 that it was wrong of prosecutors not to file charges over the distribution of the money.

It looked into the case after receiving a petition from a group of lawyers and other written protests from 31,000 members of the public.

The prosecutors also decided not to charge Diet members with using their influence to help the trucking company bypass regulations related to traffic and labor laws in exchange for bribes, the sources said.

The decisions mark the end to investigations by the Tokyo district public prosecutors' office into the scandal, as a three-year statute of limitations expires on January 31.

The expiry date was set after Kanemaru's secretary, Masahisa Haibara, told prosecutors that Tokyo Sagawa Kyubin's ex-president, Hiroyasu Watanabe, delivered the money to Kanemaru's office and the money was distributed to over 60 legislators in January 1990.

Former Minister Ito To Retire From Politics

OW2901114593 Tokyo KYODO in English 1126 GMT 29 Jan 93

[Text] Aizuwakamatsu, Fukushima Prefecture., Jan. 29 KYODO—Former Foreign Minister Masayoshi Ito, 79, a politician noted for his incorruptibility, will not run in the general election later this year and will retire from politics, his support group said Friday.

The announcement came at a news conference in his Fukushima No. 2 constituency in Fukushima Prefecture.

Ito, whose health has been declining since 1991, decided to end his 30-year political career as a dietman for health reasons, the group said.

Under the administration of former Prime Minister Toshiki Kaifu who came to power following the 1989 Recruit scandal, Ito was named the head of the ruling Liberal Democratic Party's Political Reform Headquarters. He has advocated the need to clear out Japan's money-dominated politics.

After the Recruit scandal forced former Prime Minister Noboru Takeshita to resign, many LDP elders and legislators urged Ito to become premier to improve the party's image tarnished by the scam, in which Recruit Co. distributed lucrative shares to curry favor with politicians.

Ito rejected the request, saying, "even if the party changed the front cover of a book, it would be meaningless as long as the contents of the book remain unchanged," in apparent reference to the ethical standards of politicians regarding their acceptance of shadowy political donations.

Impact of Warrant Redemption on Stocks Viewed

OW2901060293 Tokyo KYODO in English 0526 GMT 29 Jan 93

[Text] Tokyo, Jan. 29 KYODO—Prime Minister Kiichi Miyazawa brushed aside concern that the approaching deadline for the redemption of warrant bonds may have an adverse impact on the stock market.

Miyazawa told the House of Representative Budget Committee that the government, corporations and financial institutions have taken adequate measures on the matter.

He said corporations and financial institutions are capable of settling problems arising from the redemption of warrant and fund-raising bonds.

Japanese banks and other institutions will be able to attain a net worth ratio to operating funds set by the Bank for International Settlements at 8 percent, he said, adding that new regulations for banks to disclose financial information will take effect in March.

Miyazawa: Tokyo Failed To Forecast Economy

OW2901112593 Tokyo KYODO in English 1111 GMT 29 Jan 93

[Text] Tokyo, Jan. 29 KYODO—Prime Minister Kiichi Miyazawa acknowledged on Friday that the government had failed to forecast the nation's economic performance due to a lack of proper understanding.

"I have to admit that we lacked sufficient insight in judging exactly when inventory adjustment (by business corporations) started," Miyazawa told the House of Representatives budget committee in replying to a question by Yuichi Ichikawa, secretary general of Japan's second largest opposition party Komeito.

Ichikawa laced into the government for its failure to have a full grasp of the economic conditions and to take timely pump-priming measures, which he said exacerbated the current economic slump.

Commenting on the collapse of the so-called "bubble economy," Miyazawa also admitted that the government's failure to cope with the situation after the business boom marked by skyrocketing land and stock prices in the late 1980's was to blame for a further weakening of the economy.

"It was our first experience of such a thing. We did not know how to view it and could not have a clear vision at the time last spring," the premier said.

Concerning the Tokyo Sagawa Kyubin money-and-mob scandal, Miyazawa renewed a pledge to get to the bottom of the affair and repeated a promise to carry out a full-scale political reform to prevent the recurrence of political scandals.

"The Sagawa affair must be unraveled...I have no intention of halting efforts to probe the Sagawa scandal," he said, adding, "political reform is more important than getting to the heart of the scandal. With comprehensive reform, we can lay the groundwork so that such problems do not arise again."

The prime minister also indicated that ex-Prime Minister Noboru Takeshita had cleared himself of allegations about his ties with organized crime when executive members of the ruling Liberal Democratic Party (LDP) found nothing new in their questioning of him in December.

Takeshita has denied the allegations that he has sought and received help from a now-deceased gangland boss, through the mediation of former political kingpin Shin Kanemaru, to quell a right-wing group's 1987 smear campaign against him, which was at the time threatening his bid for the LDP presidency, a post that simultaneously gave him the prime ministership.

Responding to a call for Takeshita's resignation from the Diet to take overall responsibility for the scandal, Miyazawa said only that the decision was up to Takeshita.

In a discussion of Japan's possible participation in United Nations-sanctioned peacekeeping efforts in Mozambique, Toshio Nakayama, director general of the Defense Agency, said there is no immediate plan for such participation but added the agency is studying the situation in the Southern African country in preparation for the possible future dispatch of peacekeepers.

Asked if Japan will invite Russian President Boris Yeltsin to the July 7-9 Tokyo summit of the group of seven industrial nations despite the strained ties with

Russia over a bilateral territorial row, Foreign Minister Michio Watanabe told the same session the matter has yet to be decided.

Mieno Rules Out Immediate Key Rate Cut

OW2901080893 Tokyo KYODO in English 0800 GMT 29 Jan 93

[Text] Tokyo, Jan. 29 KYODO—Amid mounting speculation about a discount rate cut, Bank of Japan (BOJ) Governor Yasushi Mieno said Friday the central bank will not change its economic policy but will keep a close eye on economic conditions.

Speaking at a news conference, Mieno also said the bank will continue to maintain a careful monetary policy.

The central bank has slashed the key rate it charges on loans to commercial banks five times since July 1991, reducing it from 6.0 percent to 3.25 percent. The last cut took place July 27, 1992.

The bank governor's regular news conference that had been scheduled for Wednesday was postponed until Friday because he came down with a cold.

Asked to comment on the BOJ branch managers' meeting held earlier this week, Mieno said he "had an impression that the nation's economy is expected to gradually head for recovery, but given the weak corporate and consumer confidence, the pace of the recovery will be slow."

Turning to bad loans carried by financial institutions that are pressuring their management conditions, Mieno advised them to go ahead and liquidate their nonperforming loans, and "the BOJ will be ready to rescue institutions in case any 'unexpected' situation may break out."

Asked what kind of bailout measures the central bank can take, Mieno said it is ready to supply liquidity in case any institutions face trouble, such as problems caused by rumors, when they proceed with writing off their bad loans.

In a similar context, Tsuneo Wakai, chairman of the Federation of Bankers Associations of Japan, said earlier this week he supports banks revealing their "true" financial statements, even if some of them are forced to post deficits when they close their books for the current fiscal year that ends March 31.

Wakai said it is better not to "fine-tune" financial reports by taking various extraordinary measures.

Financial institutions established a debt-purchasing vehicle this week to facilitate liquidation of their bad loans related to real estate.

The bad loans in the market are said to total 30 trillion or even 50 trillion yen, far exceeding the official estimate of about 12 trillion yen made by the Finance Ministry.

On financially troubled housing loan credit institutions, Mieno said affiliate banks are bailing them out by methods such as offering lower interest rates, and are considering further steps to save the companies.

"It is preferable not to seek help from public funds too readily," Mieno said, adding such bailout schemes should be resolved privately.

Meanwhile, the central bank governor said Japan's trade surplus "will inevitably continue to grow...and from a medium-term perspective...to a considerable amount."

But Mieno defended Japan's surplus somewhat, saying it partially stems from structural factors like the country's savings and investment conditions. An imbalance between the two could trigger inflationary pressures, he warned.

He said it is important for Japan to achieve growth free of inflationary pressures while liberalizing its market and trying to push the yen higher against the U.S. dollar.

Referring to the alleged divulgence of confidential BOJ documents, Mieno said the central bank has begun an internal investigation over the issue, but declined to elaborate.

Secret documents on Mitsubishi Bank's financial reforms strategy are suspected to have been leaked from the BOJ and circulated among financial institutions.

Ministry: Economic Slump Not Wholly Negative

OW2901094993 Tokyo KYODO in English 0935 GMT 29 Jan 93

[Text] Tokyo, Jan. 29 KYODO—The current economic recession is not necessarily wholly negative—it has allowed the allegedly "workaholic" Japanese to take more rest, even if only temporarily, the Labor Ministry said Friday.

According to statistics released [by the] ministry, Japanese workers at companies with 30 or more employees put in 1,972 hours at their jobs in 1992, down 2.1 percent, or 44 hours, from the year before.

This is the first time the yearly working hours have sunk below the 2,000-hour line.

Ministry officials cited the economic slowdown which took a big bite out of overtime, and company efforts to have employees take more leisure time in line with government policy as the chief reasons for the relaxation in the work situation.

With most of the decrease resulting from the slower economic activity, however, the people may return to their old working habits when the economy picks up, ministry sources said.

This, they said, makes it uncertain whether the country can attain the government-imposed goal of cutting work time to a maximum 1,800 hours by fiscal 1996.

Fixed work hours accounted for 1,823 hours of the total 1,972 hours, down 0.9 percent from 1991, while the remaining 149 hours, down 15.5 percent, were spent on overtime.

The declines in both total work and overtime working hours are both the steepest since 1974, when the oil crisis-induced economic recession slashed them by 78 hours and 34 hours, respectively.

The preliminary figures also showed that average per-worker compensation for overtime dropped 10.6 percent to 23,824 yen per month last year.

As a result, total average monthly pay rose a negligible 2.1 percent, to 392,780 yen, the lowest growth since a 1.9 percent increase recorded in 1987, though fixed salaries were 3.7 percent higher than the year-earlier levels.

Adjusted for inflation, the real wage growth was a tiny 0.5 percent.

Another report released simultaneously by the ministry said overtime work in December plunged 18.0 percent from a year earlier to 11.8 hours and that fixed work hours shrank 1.6 percent to 150.7 hours, bringing the total work hours in the month to 162.5 hours, down 3.1 percent.

Despite a 3.4 percent increase in fixed wages, overtime pay diminished 13.2 percent, which restrained wage growth in the month to a hardly perceptible 0.4 percent on an unadjusted basis.

North Korea

ROK 'Responsible' for 'Rupturing All North-South Dialogue'

SK2901123893 Pyongyang Korean Central Broadcasting Network in Korean 1105 GMT 29 Jan 93

[Statement issued by the DPRK delegation to the North-South high-level talks on 29 January—read by announcer]

[Text] In relation to the United States' and the South Korean authorities' official announcement on 26 January that they will hold the Team Spirit-93 joint military exercise—an adventurous nuclear war exercise—on the Korean peninsula, the North side's delegation to the North-South high-level talks issued the following statement denouncing this.

Statement by the North side's delegation to the North-South high-level talks:

On 26 January the South Korean authorities officially announced their intent to hold the Team Spirit-93 joint military exercise—an aggressive nuclear war exercise—with the United States. The announcement in Seoul and Washington of their intent to hold this joint military exercise is a declaration of ruptured North-South dialogue and a declaration that will block the implementation of the documents agreed upon by the North and South. This is a reckless provocation toward our side, the other side of dialogue, and an unpardonable challenge to the 70 million fellow countrymen and world conscience desiring detente and reunification.

With the proclamation of the plan to hold the Team Spirit-93 joint military exercise, North-South relations today have returned to the original point of confrontation where there is no dialogue. In addition, an extremely dangerous situation has been created on the Korean peninsula where a nuclear war can break out at any moment.

To prevent this kind of situation, when the South Korean authorities agreed in early October of last year to resume the Team Spirit joint military exercise with the United States, from that time until today—about 100 days—we patiently gave advice and warnings to withdraw the measure to resume this war exercise.

After the measure was taken to resume the Team Spirit joint military exercise, our side immediately held an emergency meeting of the government, party, and organizations, and regarded the fact that the South Korean authorities have decided to resume this war exercise that had been suspended as a grave situation and demanded that this decision be withdrawn unconditionally. Also, a letter was sent to the South side in the name of our side's premier, the head of the North side's delegation of the North-South high-level talks, strongly urging that the agreement to resume the provocative military exercise, which blocks progress in the North-South dialogue and in implementing the North-South agreement, be canceled immediately.

Our side's chairmen of each joint North and South committee issued a joint statement and repeatedly urged the South side to cancel the agreement to resume the Team Spirit joint military exercise by November of last year so that all joint committees can be put into operation. Moreover, on 25 January, just one day before the South Korean authorities officially announced that South Korea will hold the this criminal nuclear war exercise, our side participated in the chairmen's contact of the North-South Joint Nuclear Control Committee [JNCC] and again strongly demanded that it withdraw the measure to resume the Team Spirit joint military exercise, which runs counter to the joint declaration on denuclearization and which will lead all North-South dialogue to the road of rupture.

This kind of sincere effort by our side stemmed from the desire to prevent in whatever way the rupture of the North-South dialogue, which was progressing well, and put into practice the agreed upon documents between the North and South which were adopted and effectuated after a long time, so that our country's situation could continuously develop toward detente and peace.

Not only figures in various countries' political and social circles but also peace-loving people of all strata raised their voices calling for withdrawal of the decision to resume the Team Spirit nuclear war exercise, which will incur grave consequences to peace on the Korean peninsula, the security of Asia, and peace in the rest of the world. All watched the South Korean authorities' attitude.

Despite repeated demands, protests, and denunciation at home and abroad, the South Korean authorities finally announced their intent to conduct the aggressive nuclear war exercise. In doing so, they challenged mankind.

The North side's delegation to the North-South high-level talks sternly denounced the South Korean authorities for challenging the unanimous desire of fellow countrymen and the world's peace-loving people by deciding to hold the Team Spirit-93 joint military exercise with the United States.

To cover up the crimes they are committing before history and the nation, the South Korean authorities are justifying the Team Spirit joint military exercises by using our nonexistent nuclear development as a pretext. They are even claiming that the military exercise and dialogue are separate matters. This is a brigandish argument from those who reverse black and white and a shameless sophism of those who commit crimes.

It goes without saying that the United States and the South Korean authorities should be responsible for the fact that the nuclear issue has not been resolved in our country. It is our side that has really been interested in denuclearizing the Korean peninsula by wanting to conduct the North-South nuclear inspection as soon as possible. In addition, it is our side that has been under nuclear threat because of the U.S. nuclear weapons deployed in South Korean for 35 years and because of the nuclear war exercises held by the United States and the South Korean authorities.

Our side signed the Nuclear Safeguards Accord early last year. Our side has sincerely received the irregular inspections by the International Atomic Energy Agency. Our side put forward reasonable proposals at the JNCC meetings; repeatedly made concessions to the South side; and made all efforts to implement the joint declaration on denuclearization of the Korean peninsula. This is a well-known fact.

The South side has babbled about North-South nuclear inspection. However, the South side has employed all means to hamper the denuclearization of the country.

The South Korean authorities have strongly opposed the inspection of the U.S. nuclear weapons and bases in South Korea. They put forward the so-called principle of inspection of an equal number of sites. They claimed that they should inspect our general military bases. They even babbled about the so-called special inspection which is not stipulated in the joint declaration on denuclearization of the Korean peninsula. Thus, they have prevented the JNCC from making progress in its work and have avoided holding a JNCC meeting. This clearly proves that the South side has employed all means to hinder the denuclearization of the country.

The South Korean authorities have decided to resume the Team Spirit joint military exercise by using the nuclear issue. This is nothing but a brigandish claim, like a thief calling someone else a thief.

The South Korean authorities claimed that the Team Spirit war exercise is separate from North-South dialogue. They also claimed that North-South dialogue took place while large-scale military exercises were being held in South Korea. This is a clumsy sophistry to justify their criminal acts.

Indeed, the meetings, which took place in Panmunjom during the Team Spirit joint military exercises, were held in order to stop the war exercises of the South Korean authorities and to judge and condemn the South Korean authorities for conducting war exercises to invade the North in collaboration with foreign forces.

It is also ridiculous that the South Korean authorities invited our side to watch the aggressive war exercise against the dialogue partner. This is nothing but a clumsy drama to justify their crimes and to subdue the protests and denunciation at home and abroad.

By using ridiculous pretexts to justify the criminal Team Spirit joint military exercises, the South Korean authorities have again revealed their insidious intention to follow the road of confrontation and war, not reconciliation and peace.

The South Korean authorities know that if the Team Spirit joint military exercise is conducted, all North-South dialogue will be stopped and the implementation of the historic North-South agreement and the joint declaration on denuclearization will be delayed indefinitely.

Nevertheless, the South Korean authorities plan to conduct the Team Spirit-93 joint military exercise. The South Korean authorities seek to prevent the advance of dialogue and the implementation of the North-South agreement and the joint declaration on denuclearization, by creating military tension in collaboration with foreign forces. The South Korean authorities also seek to avoid an overall inspection of the U.S. nuclear weapons and bases in South Korea, to check the withdrawal of the U.S. Forces, and to conceal their nuclear weapons development.

This is why the South Korean authorities decided to hold the Team Spirit-93 joint military exercise this year. Therefore, they are committing before the nation the gravest crime. It is a crime that is beyond comparison even in the period before the North-South agreement and the joint declaration on denuclearization. The South Korean authorities must be responsible for rupturing all North-South dialogue, including the JNCC meeting, by deciding to hold the Team Spirit-93 joint military exercise.

The North side's delegation to the North-South high-level talks reiterates that it has no intention of begging the South Korean authorities for dialogue or resuming any dialogue which is frozen between the authorities of the North and

South when, with premeditation, they are bringing the dialogue to rupture in league with outside forces.

The South Korean authorities must frankly admit their grave crimes—using a commotion about nuclear war to suspend the North-South dialogue and delay the implementation of the North-South agreement and the joint declaration on denuclearization—and they must apologize to the nation for it.

The Team Spirit-93 joint military exercise cannot by any means be seen as having no connection to the regime that will be launched in South Korea in one month. The Team Spirit joint military exercise, which was promoted by the Sixth Republic—a military regime—is being revived by a regime professing to practice so-called civilian politics. This only raises doubts about the civilian regime which they themselves are talking about.

The South Korean ruling bunch should correctly see the will of the 70 million fellow countrymen who desire reconciliation and dialogue and move to achieve reunification in the nineties. The United States should also know that the Koreans are the masters of the Korean issue; must end its domination over and interference in South Korea; and adopt a measure to withdraw its troops and all destructive weapons, including nuclear weapons, from South Korea immediately.

Along with the whole nation that desires dialogue and peace, not confrontation and war, we will watch vigilantly the reckless nuclear war exercise conducted by the United States and the South Korean authorities.

[Dated] 29 January 1993, Pyongyang

KCNA Reports Suspension of Dialogue

SK2901105993 Pyongyang KCNA in English 1048 GMT 29 Jan 93

["No Intention To Resume Any of the Dealocked Dialogues Between Authorities of North and South"—KCNA headline]

[Text] Pyongyang, January 29 (KCNA)—The North side's delegation to the North-South high-level talks declares that the North has no intention to beg the South Korean authorities for dialogue or to resume any of the deadlocked dialogues between the authorities of the North and the South when the South Korean authorities are premeditatedly bringing the dialogue to a collapse in league with outside forces.

The North side's delegation to the North-South high-level talks declares this in a statement published Friday with regard to the official announcement of the South Korean authorities that they would stage with the United States the "Team Spirit 93" joint military exercise, an aggressive nuclear war exercise.

The statement reads in part:

The announcement of the program of joint manoeuvres is a declaration of the breakdown of the North-South dialogue and an unpardonable challenge to the 70 million fellow countrymen and world conscience desirous of detente and reunification.

The South Korean authorities are justifying the "Team Spirit" joint military exercises with the fiction of "suspicions of nuclear development" by the North and even claiming that the military manoeuvre and dialogue are "different matters". This is, however, a brigandish argument of those who reverse black and white and a shameless sophism of those with a guilty conscience.

The South Korean authorities contend that the "Team Spirit" is a "matter" alien to "North-South dialogue" and that "North-South dialogue" took place while large-scale military exercises were under way in South Korea in the past period. But they were talks, without exception, for putting a stop to the war exercises of the South Korean authorities and for judging and condemning them for the war exercises they were staging against the North in league with foreign forces.

By bringing forward ridiculous pretexts to justify the criminal "Team Spirit" joint military exercises, the South Korean authorities have further revealed their insidious intention to follow the road of confrontation and war, not reconciliation and peace.

What the South Korean authorities seek is to block the advance of the dialogue and the implementation of the North-South agreement and the joint declaration on denuclearisation by creating military tensions jointly with foreign forces and thereby avoid an overall inspection of the U.S. nuclear arms and bases in South Korea, check the U.S. troop pullout and conceal their own development of nuclear weapons.

The South Korean authorities must frankly admit their grave crime in suspending the North-South dialogue and delaying the implementation of the North-South agreement and the joint denuclearisation declaration by the nuclear war clamor and apologize to the nation for it.

The "regime" advocating "civilian politics" is taking over the "Team Spirit" joint military exercises promoted by the "Sixth Republic," a military government. This gives rise to doubt about the "civilian government" itself advertised by them.

The United States must be clearly mindful that the Koreans are the master of the Korean question and must end its domination over and interference in South Korea and adopt a measure of withdrawing its troops and all the destruction weapons including nuclear arms from South Korea.

U.S. Urged To Remove Nuclear Weapons

SK2801140693 Pyongyang KCNA in English 1125 GMT 28 Jan 93

[Text] Pyongyang, January 28 (KCNA)—The Committee for the Peaceful Reunification of the Fatherland [CPRF] in a statement published today upon the lapse of 35 years since the United States officially published the introduction of nuclear weapons in South Korea urged that the United States should renounce its outdated thinking pattern, legacy of the cold war era in which it threatened and blackmailed with nuclear weapons the DPRK which has no nuclear arms, and openly pull the nuclear weapons out of South Korea under the eyes of the world.

For the present, the United States must promptly revoke the plan to stage "Team Spirit" joint military exercises, a nuclear war gamble, in South Korea, said the statement.

It drew attention to the fact that the United States has turned South Korea into the biggest nuclear arsenal in the Far East by shipping in more than 1,000 pieces of nuclear weapons of different kinds. It said the U.S. policy of turning South Korea into a nuclear base according to its Asia-Pacific strategy poses an open nuclear threat to the DPRK, a non-nuclear weapon state.

The statement stresses:

Today when all the continents of the world are moving in the direction of seeking a peaceful solution of disputes and the arms reduction, nuclear reduction and nuclear disarmament processes are under way, the United States must take necessary steps to realize disarmament, eliminate nuclear weapons and ease the tensions on the Korean peninsula, too, and thereby make a substantial contribution to the cause of peace in Asia and the rest of the world.

The South Korean authorities must not aggravate confrontation and tensions between the North and the South of Korea, following the nuclear strategy of the United States, bereft of indepndence, but take a measure to get the U.S. Forces and nuclear weapons immediately withdrawn from South Korea.

We hold that the countries responsible for the Korean question must never exclude the withdrawal of the nuclear weapons and the U.S. Forces from South Korea from the worldwide debate on the reduction of nuclear weapons and conventional forces.

We express the hope that the governments, political parties and organisations of all the countries, international organizations, and the peaceloving peoples of the world will extend powerful support and encouragement to the sincere efforts of our people to have the U.S. Forces and nuclear weapons withdrawn from South Korea and turn the Korean peninsula into a nuclear-free zone.

News Conference Held on U.S. Nuclear Weapons

SK2801144993 Pyongyang KCNA in English 1140 GMT 28 Jan 93

[Text] Pyongyang, January 28 (KCNA)—Ho Hyok-pil, vice-director of the Secretariat of the Committee for the Peaceful Reunification of the Fatherland (CPRF), told home and foreign reporters here today about the DPRK's principled position toward the problems arising in the denuclearization of the Korean peninsula.

The press conference was sponsored by the CPRF on the lapse of 35 years since the U.S. imperialists began to ship nuclear weapons into South Korea. Ho said the most important problem in the denuclearization of the Korean peninsula was to get the U.S. nuclear weapons totally withdrawn from South Korea, make its result open to the public and carry out an overall inspection of the U.S. nuclear bases in South Korea.

The development of nuclear weapons by the South Korean authorities must be checked and the nuclear weapons deployed around the Korean peninsula must also be removed, he said

The nuclear problem on the Korean peninsula was caused by the deployment of U.S. nuclear weapons in South Korea and has yet to be solved because there still exist nuclear weapons in South Korea, he added.

He mentioned the role that should be played by the countries concerned in the denuclearization of the peninsula.

The countries concerned are also responsible for the denuclearization of the peninsula and must discharge their duty, he noted, adding that what is most urgent is the withdrawal of U.S. nuclear weapons from South Korea.

He said Japan's nuclear armaments could not but be another obstacle to the denuclearization of the Korean peninsula.

Declaring that U.S. nuclear weapons still remain in South Korea in actuality although former U.S. President Bush declared that the tactical nuclear weapons had been withdrawn from Asia and the South Korean authority made a "declaration on the absence of nuclear weapons", he explained the ground [as received] as follows:

Firstly, it is entirely impossible to withdraw in a few months so vast amount of nuclear weapons, facilities and bases which had been systematically introduced and deployed in South Korea for 35 years. The nuclear weapons brought into South Korea number 1,000 pieces or more at the modest estimation and they total more than [number indistinct] according to figures published in the South Korean press.

Secondly, no one witnessed or was present at the scene of the withdrawal of so vast amount of nuclear weapons.

Thirdly, there still remain in South Korea U.S. nuclear bases, launching devices, control setup and nuclear tactical units. Fourthly, the construction of nuclear storages and officers employed at nuclear bases testified that there had been nuclear weapons there in the past and nuclear-powered submarines carrying nuclear weapons were still frequenting there. [sentence as received]

Fifthly the South Korean authority who had said he was utterly in the dark with regard to the presence or absence of U.S. nuclear weapons and could not know about it suddenly made a "declaration on the absence of nuclear weapons" before the United States made a "declaration on the withdrawal of nuclear weapons." This must be a ridiculous lie.

The United States and the South Korean authorities are putting military pressure on the DPRK over "suspected nuclear arms development" by it, he noted, and stressed:

The DPRK Government will never yield to the military pressure of the United States and its satellite states but will confront it with a principled, tough stance.

It is inconceivable in the future, either, that we refrain from what we have to do, or we promise to do what we cannot do under military threat from others.

As we have declared repeatedly, we have no nuclear weapons, we have neither intention nor capacity to produce nuclear weapons and we do not feel any need to possess them.

We have so far undergone inspection by the International Atomic Energy Agency (IAEA) five times since May last year because our nuclear policy is just. In this course, the honesty of our nuclear policy has been fully proved.

Noting that the North-South Joint Nuclear Control Committee failed to make progress in its work, Ho said it was because the South Korean authorities, departing from an independent stand, were hindering the discussion of the inspection rules under the manipulation of the United States.

The "president-elect" of South Korea recently argued that the "nuclear problem of the North" must be solved with the help of the U.N. Security Council, if necessary, he noted, branding this as treacherous remarks.

Ho Hyok-pil stressed:

We have no "nuclear problem." We are undergoing and will undergo inspection by the IAEA. There is no ground, therefore, to take the "nuclear problem of the North" to the U.N. Security Council.

The fact that we do not develop nuclear weapons will be made clearer through inspections by the IAEA and will be naturally known to all when the joint declaration on denuclearization is put into effect through North-South dialogue.

Our nation will not pardon the treacherous attempt to internationalize with the backing of outside forces the problem which can be solved within the nation.

Military Sources Report U.S.-ROK Air Exercises

SK2801060193 Pyongyang KCNA in English 0515 GMT 28 Jan 93

[Text] Pyongyang, January 28 (KCNA)—The U.S. Pacific Naval Command and Airforce command Wednesday sent more than 320 war planes of the U.S. airforce from the U.S. bases in Japan proper, the Pacific and South Korea and those of the puppet airforce to the skies above Chonju, Umsong and Sangdong areas of South Korea to stage joint air war exercises, according to military sources.

The war exercise were aimed to examine the readiness for emergency mobilisation of flying corps of the U.S. Pacific Navy and Airforce toward the Korean peninsula in the event of "contingency" and increase the [word indistinct] of the joint operation of the flying corps deployed in South Korea.

Kim Il-song Sends Message to Indian President

SK2501105993 Pyongyang KCNA in English 1046 GMT 25 Jan 93

[Text] Pyongyang, January 25 (KCNA)—President Kim Il-song of the Democratic People's Republic of Korea today sent a message of greetings to President Shankar Dayal Sharma on the day of the Republic of India.

President Kim Il-song said in the message that the Korean people were rejoiced over the great progress made by the Indian people in consolidating the national independence and building a new society after the foundation of the republic.

Expressing the belief that the excellent relations of friendship and cooperation between the two countries would further expand and develop in conformity with the idea of independence, peace and nonalignment, he wished the president and people of India greater success in their yfforts for the cmmotwon of national unity and the independent development and prosperity of the country.

Kim Chong-il Receives Letter From Japanese Women

SK2801050193 Pyongyang KCNA in English 0425 GMT 28 Jan 93

[Text] Pyongyang January 27 (KCNA)—Forty-one Japanese women living in Wonsan, Kangwon Province, recently sent a letter to the dear leader Comrade Kim Chong-il.

They wrote in the letter that they were living without worries about the education of their children, medical treatment and food, clothing and housing after they came to Korea with their husbands returning to the homeland over 30 years ago. They expressed gratitude for the great favors of the state which made them members of the Workers' Party of Korea, deputies to the people's assemblies at different levels and full-fledged members of society.

They said that, though they were born Japanese, their real motherland was the Democratic People's Republic of Korea and they felt the urge to loudly declare this with pride to the whole world.

A Japanese woman Sin Chong-ho (Yoshie Arai), chief of the Publication Distribution Office of Songyo District, Pyongyang municipality, after greeting her 60th birthday at the end of last year, presented a letter to Comrade Kim Chong-il who has brought her life into bloom, while looking back upon her life spent in Korea.

She said that the DPRK which embraced her in its bosom and made her a member of the Workers' Party of Korea and an official in charge of the distribution of publications in a district and brought up her children to be pillars of the country by giving university education to them was, indeed, the genuine motherland.

Yi Chun-hui (Haruko Nishimoto) residing in Pothonggang District, Pyongyang municipality, and O Hi-ok (Ayako Miyaki) in Taedonggang District, Pyongyang Municipality, also presented their letters to Comrade Kim Chong-il, in which they extended thanks to him for providing them with a happy and worthy life in Korea, the country to which they could dedicate their hearts, the country on which their spirit could be relied, and expressed their resolution to repay the kindness down through generations.

The Japanese women who came to Korea with their husbands and began their new life are now enjoying a stable and happy life in different parts of Korea.

O Yang-sun (Namiko Komiyama) living in Hasin-tong, Sosong District, Pyongyang municipality, received a 70th birthday table from Comrade Kim Chong-il some time ago.

The state legally guaranteed in society her rights as a citizen of the DPRK without discrimination and gave university education to her Son and art education to her two daughters.

In order to repay this kindness, she has devoted her sincere labour at her posts and upheld the socialist motherland, rendering material and moral assistance to grand construction sites.

A Japanese woman Ko Hi-song (Toyoko Uda) is a lecturer at the tower of the chuche idea which is soaring high in the centre of Pyongyang. She gives lectures on the glorious and brilliant revolutionary feats of the great leader President Kim Il-song, the founder of the immortal chuche idea, before visitors at home and from abroad who call at the towr in great numbers every day. She feels special pride and honor in her job.

This pride is cherished in the mind of Kim Song-suk (Fusako Matsuda) who is a lecturer at the monument to the victorious Pochonbo battle in Yanggang Province which is associated with a battle of the glorious anti-Japanese armed struggle led by President Kim Il-song.

Sin Suk-yong (Fusako Aoyama), an instructor of the Anju City administrative and economic committee, South Pyongan Province, Yi Kong-hye (Kimiko Oono), a clerk of the Hongwon Branch of the Central Bank, Won Mun-suk (Fumiko Yamato), a custodian of the Yanggang provincial library, and other Japanese women residing in Korea are enjoying all the rights and happiness as full-fledged workers of the country.

They are upholding with sincere labour and pure conscience the socialist country, the cradle of their happy life and the bosom of the true mother taking care even of the future of their children in a responsible manner.

Kim Chong-il Sends Wreath to Professor's Bier

SK2501235993 Pyongyang KCNA in English 2247 GMT 25 Jan 93

[Text] Pyongyang, January 25 (KCNA)—The dear leader Comrade Kim Chong-il sent a wreath to the bier of labor hero, Prof. and Dr. Comrade Han Hong-sik, researcher of the Fuel Institute of the Academy of Sciences, today to express deep condolences over his death.

Kim Chong-il Sends Letter to Schoolboy

SK2501102593 Pyongyang KCNA in English 1004 GMT 25 Jan 93

[Text] Pyongyang, January 25 (KCNA)—The dear leader Comrade Kim Chong-il sent a reply letter to Chon Kwang-song, a six-year-old boy at Nampho Senior Middle School No. 1.

The letter says: "Be a good schoolboy. January 13, 1993. Kim Chong-il"

Kwang-song learnt how to read and write and understood newspapers very well at the age of three and has since kept diary.

He displayed his excellent mathematical talent by solving all mathematical problems for the whole course of primary school in one year.

Going into the principles of all questions with a reasoning power, now he can easily solve mathematical problems for the first year of senior middle school no. 1, and freely write compositions including children's songs and poems.

In his letter to Comrade Kim Chong-il he vowed to become a doctor in his teens and thus be a loyal and dutiful child bringing joy to him.

Propaganda Art Squads Mark Anniversary

SK2701104293 Pyongyang KCNA in English 1006 GMT 27 Jan 93

[Text] Pyongyang, January 27 (KCNA)—Two decades have elapsed since provincial art propaganda squads were founded in Korea on January 26, 1973.

In this period the squads conducted economic agitation and art performances on more than 150,000 occasions everywhere in the country, arousing the working people to labour feats.

The proud achievements of the Korean people in the socialist construction in and after the 1970s and the west sea barrage, the Sangwon cement complex, the Taechon power stations, Kwangbok and Tongil Streets and other grand monumental edifices are associated with the devoted efforts of the members of the provincial art propaganda squads.

Over the past 20 years the squad members have conducted energetic field economic agitation such as radio propaganda, propaganda by means of visual aids, peformances of art pieces and welcoming working people on their way of going to work sites and coming home and created some 10,000 works of high ideological and artistic value conducive to effecting an upsurge in production and construction.

In these years of economic agitation conducted under the guidance of the Workers' Party of Korea nine merited artistes and actors and actresses and more than 1,000 recipients of state order were produced among the squad members and hundreds of them were admitted to the Workers' Party of Korea.

A meeting was held here Tuesday to commemorate the 20th founding anniversary of the provincial art propganda squads.

Chang Chol Attends Meeting

SK2801141593 Pyongyang Korean Central Broadcasting Network in Korean 0900 GMT 26 Jan 93

[Excerpts] A report meeting to mark the 20th anniversary of the founding of provincial propaganda art squads was held at the Pyongyang Grand Theater on the afternoon of 26 January.

Portraits of Comrade Kim il-song, the great leader of our party and our people, and the dear leader Comrade Kim Chong-il were placed in the front of the meeting place. Slogans reading "Long live the great leader Comrade Kim Il-song!" and "Long live the glorious Workers Party of Korea [WPK]!" were put up.

Present at the meeting were Comrade Kim Chung-nin, secretary of the WPK Central Committee; Comrade Chang Chol, vice premier of the State Administration Council and minister of Culture and Art; Paek In-chun, chairman of the General Federation of the Unions of Literature and Arts of Korea Central Committee; other functionaries concerned; the functionaries of the art propaganda squads from various provinces; and writers and artists.

The meeting began with the singing of the song of General Kim Il-song and the song of the dear Comrade Kim Chong-il.

Comrade Kim Chung-nin delivered the commemorative message from the WPK Central Committee to the provincial art propaganda squads, writers, and artists. [passage omitted] Comrade Chang Chol made a commemorative report at the meeting. [passage omitted]

Kang Song-san Greets Indian Prime Minister

SK2801103593 Pyongyang Korean Central Broadcasting Network in Korean 1500 GMT 26 Jan 93

[Text] Comrade Kang Song-san, premier of the Administration Council, sent a congratulatory message to Indian Prime Minister P.V. Narasimha Rao.

The message said he extends warm congratulations to the prime minister on Republic of India Day, a national holiday for the Indian people. it noted that after establishing the republic, the Indian people consolidated national independence and made a great advance in achieving the nation's independent development.

The message wished the Indian prime minister success in building a new, prosperous India and expressed a belief that the friendship and cooperative relations between the two countries will further develop.

Relays Convey Letters of Loyalty to Kim Il-song

SK2601104193 Pyongyang KCNA in English 1016 GMT 26 Jan 93

[Text] Pyongyang, January 26 (KCNA)—Relay columns are starting from different parts of the country to convey letters of loyal pledge of young men and women to the great leader President Kim Il-song and the dear leader Comrade Kim Chong-il on the occasion of the 8th congress of the League of Socialist Working Youth of Korea.

Mass meetings took place where the relay columns were starting.

Read at the meetings were the letters of loyal pledge expressing the firm resolution of the youth vanguard to carry the revolutionary cause of chuche to accomplishment through generations under the leadership of the party, holding the great leader and the dear leader in high esteem.

Relay columns of Yanggang Province, North and South Hamgyong Provinces, Kangwon Province, South Hwanghae Province and the Korean people's army had left by January 25.

The relay columns include DPRK heroes, labour heroes, recipients of the Kim Il-song youth honor prize, labor innovators, soldiers, public security officers, and students.

The columns which started from 19 spots will arrive in Pyongyang through all cities and counties just before the 8th congress of the League of Socialist Working Youth of Korea.

Gathering Commemorates Cuban National Hero's Birthday

SK2801062093 Pyongyang KCNA in English 0518 GMT 28 Jan 93

[Text] Pyongyang, January 28 (KCNA)—A friendship gathering took place at the Korea-Cuba Friendship Pyongyang Moranbong Senior Middle School No. 1 on Wednesday [27 January] to commemorate the 140th birth anniversary of Jose Marti, a national hero of the Cuban people.

Invited to the gathering were Juan Jose Leon Vega, Cuban ambassador to Korea, and embassy officials.

Che Hyon-tok, vice-chairman of the Central Committee of the League of Socialist Working Youth of Korea and vice-chairman of the Korea-Cuba Solidarity Committee, and officials concerned as well as teachers and students of the school were present.

The participants saw an art performance given by the art circle members of the school and talked about the career and activities of Jose Marti who had dedicated his all to the freedom and liberation of the Cuban people.

The gathering proceeded in a friendly atmosphere.

Foreign Leaders Receive DPRK Ambassadors

SK2801145993 Pyongyang KCNA in English 1053 GMT 28 Jan 93

[Text] Pyongyang, January 28 (KCNA)—Foreign party and state leaders recently expressed support to the confederation formula reiterated by the great leader President Kim Il-song in his New Year address, when they met with DPRK ambassadors.

Congolese President Pascal Lissouba said the confederation formula advanced by His Excellency the great President Kim Il-song was a most reasonable way of reunification and stated that the Congolese Government and people fully supported it.

Nicaraguan President Violeta Barrios de Chamorro expressed full support and solidarity for the confederation concept.

Malian Prime Minister Younoussi Toure said the confederation formula advanced by the great leader Comrade Kim Il-song was a most fair and aboveboard way of reunification either in view of the current situation after the end of the cold war or in view of the interests of the entire Korean people.

The Malian Government will as ever extend full support to the confederation formula, he stressed.

National Secretary General of the Socialist Political Action Party of Peru Gustavo Mohme Ryona expressed full support to the principle of national independence and the proposal for reunifying Korea through confederation on the principle advanced by respected Comrade Kim Il-song, saying they were the only just and reasonable ones.

The Socialist Political Action Party of Peru expresses firm solidarity with the Workers' Party of Korea and the Korean people in their efforts to build socialism and reunify their country, he declared.

ROK Support for Kim Il-song's Speech Noted

SK2701052693 Pyongyang KCNA in English 0424 GMT 27 Jan 93

[Text] Pyongyang, January 26 (KCNA)—The principle of national independence, the fundamental principle of reunification which was clarified by the great leader President Kim Il-song in his New Year address, is warmly supported by South Korean people of all walks of life, according to radio VOICE OF NATIONAL SALVATION from Seoul.

A member of an organization under the South Korean National Democratic Front (Hanminjon) surnamed Yi, residing in Seoul, said:

The great President Kim Il-song in his New Year address laid down the grand premise of reunification that the country should be reunified on the principle of national independence and the basic charter of the reunification movement, stressing that this principle is the fundamental principle of national reunification from which we cannot stand back even an inch.

Indeed, this teaching is the only grand principle which makes it possible to reunify the divided nation.

I will fight, upholding the policy of national reunification put forward by the great President Kim Il-song in his New Year address.

A Professor Kim of Yonsei University said the policy of national reunification expounded by the great President Kim Il-song in his New Year address is the wisest policy to tide over the difficulties lying in the way of national reunification and accelerate the reunification.

He went on to say:

To reunify the country through confederacy on the principle of national independence is the only way for reunification of our nation. There can be no other proposal than this. This is the principle and way of reunification which could be set forth only by the great President Kim Il-song who has the political philosophy that nothing is impossible when one believes in the nation and mobilizes its force.

WPK Greets Nepal Communist Party

SK2701104793 Pyongyang KCNA in English 1023 GMT 27 Jan 93

[Text] Pyongyang, January 27 (KCNA)—The Central Committee of the Workers' Party of Korea today sent a message of greetings to the fifth congress of the Nepal Communist Party (United Marxism-Leninism).

Recalling that the Nepal Communist Party (United Marxism-Leninism) has worked hard to defend the independent rights and vital interests of the working masses, achieve the democratic development and prosperity of the country and realize peace and security of the world and socialism in the past period, the message expressed full support to and firm solidarity with the party's cause of justice.

Convinced that the friendly and cooperative relations between the two parties will grow stronger and develop in the future, we wish your party greater success in the congress and future activities to carry out the decisions of the congress, it said.

Thai Democracy Federation Official Interviewed

SK2801105793 Pyongyang KCNA in English 1010 GMT 28 Jan 93

[Text] Pyongyang, January 28 (KCNA)—Arom Meechai, executive member of the Democracy Federation of Thailand, said he witnessed in Korea an ideal land unimaginable in the West. It is the unanimous desire of the world's progressive people to learn from the Korean-style socialism today, he said in an interview with the KCNA in Pyongyang.

He said he saw for the first time in his life such a system good to live in, a genuine people's country like Korea though he had been to many countries including capitalist countries.

He said about his impressions of Korea:

Korea is the most stabilized country in the political aspect; the political rights of people are fully guaranteed legally and socially; there are no social evils infringing upon and violating human dignity.

In this country every citizen is working creatively with a job suitable to his or her aptitude and ability and tens of thousands of modern dwelling houses are built and distributed to the population free of charge.

In Korea, women are taking an active part in socio-political life, economic and cultural life with equal rights as men, and tremendous benevolence is bestowed upon them.

He said he felt keenly during his visit to Korea that socialism is incomparably superior to capitalism, and regarded with envy the Korean people, the happiest in the world.

Reunification Group Meets 27 Jan

SK2701053293 Pyongyang KCNA in English 0437 GMT 27 Jan 93

[Text] Pyongyang, January 26 (KCNA)—A general meeting of the Central Committee of the North side headquarters of the National Alliance for the Country's Reunification (Pomminnyon) was held at the People's Palace of Culture here today.

The meeting reviewed the work of the Central Committee of the North side headquarters of Pomminnyon and discussed its tasks for 1993 and elected the members of its Central Committee.

Paek In-chun, chairman of the Central Committee of the General Federation of the Unions of literature and arts of Korea and vice-chairman of the Central Committee of the North side headquarters of Pomminnyon, made a report on the first agenda item at the meeting.

According to the report, the North side headquarters of Pomminnyon has positively contributed to the promotion of the cause of national reunification, the cherished desire of the nation, in league with pro-reunification patriotic forces in South Korea and overseas under the wise guidance of the great leader President Kim Il-song and the dear leader Comrade Kim Chong-il under the prevailing situation that got more complicated than ever before.

The most important success in the activities of the headquarters is that it has fully assumed the appearance as an umbrella organization of the reunification movement and invigorated this movement through brisk activities to consolidate the organization.

Last year, the headquarters instituted working departments in the Central Committee and made energetic efforts to build organizations of different strata under it. As a result, it firmly built the North side headquarters of Pomchonghangnyon as a permanent organisation under the pan-National Alliance of youth and students for the Country's Reunification (Pomchonghangyon), a United organization of the reunification movement of youth and students in the North, South and overseas.

Another success is that the headquarters expanded the movement for national reunification as a nationwide movement in close links with South Korean people and overseas Koreans and dealt a heavy blow at the separatist forces at home and abroad.

In face of the powerful reunification movement organized by Pomminnyon, the South Korean authorities were compelled to sign the North-South Agreement and the Joint Declaration on the Denuclearization of the Korean peninsula, release woman student Yim Su-kyong and father Mun Kyu-hyon on parole and take a special commutation measure on the Rev. Mun Ik-hwan.

The reporter called for expanding the organizations of Pomminnyon, consolidating the internal forces for reunification and promoting the cause of national reunification along the line of great national unity laid down by the great leader. The report was followed by speeches.

An appeal to domestic and overseas organizations of Pomminnyon and all Koreans was adopted at the general meeting.

The appeal called on the domestic and overseas organizations of Pomminnyon to wage a vigorous anti-U.S., anti-outside force struggle for independence to get the U.S. troops and nuclear weapons withdrawn from South Korea, support the struggle to inaugurate the South side headquarters of Pomminnyon and guarantee its free activities, and activate the nationwide joint struggle to oppose the anti-communist fascist repressive system of the "Democratic Liberal Party," win the release of pro-reunification patriots and democratize South Korean society.

It also called on those organizations and all compatriots to fight for the holding of the fourth pan-national rally and the faithful implementation of the documents of North-South agreement and invigorate the struggle to hold a political consultative conference for national reunification in which the authorities of the North and the South and the representatives of political parties and organizations would participate and adopt the confederation formula as the nation's common way of reunification this year which marks the 48th anniversary of national liberation.

The second agenda item was discussed there.

73 members of the Central Committee were elected and the presidium was formed with Paek In-chun as chairman and 16 Vice- chairmen.

Stamps, Postcards Mark 8th LSWYK Congress

SK2501104593 Pyongyang KCNA in English 1007 GMT 25 Jan 93

[Text] Pyongyang, January 25 (KCNA)—The Korean postage company has issued new stamps and postcards in celebration of the 8th Congress of the League of Socialist Working Youth of Korea [LSWYK].

Depicted on the stamps bearing the badge of the LSWYK and the letters "8th Congress of the LSWYK" are young workers, farmers, soldiers, students and intellectuals resolved to always live and struggle as the young vanguard of the party.

Some stamps show columns of a grand march presenting the letters "Singlehearted Unity" with torchlight.

The postcard bearing the title "Let Us Glorify the 8th Congress of the lSWYK as a Congress Demonstrating Singlehearted Unity!" [words indistinct] of the Workers Party of Korea and pictures of young people who are [words indistinct] of socialism.

The Workers' Party of Korea publishing house has published posters such as "Let Us Hold the 8th Congress of the LSWYK as Congress of Loyalty!" and "Warm Congratulations!"

CPRF Secretariat Denounces 'War Games'

SK2301051093 Pyongyang KCNA in English 0446 GMT 23 Jan 93

[Text] Pyongyang, January 23 (KCNA)—The Secretariat of the Committee for the Peaceful Reunification of the Fatherland [CPRF] published its Information No. 619 Thursday, denouncing the provocative war games staged by the U.S. imperialists and the South Korean authorities against the North from the beginning of the year. It brands them as unpardonable criminal acts of casting a chill over the desire of the Korean people for reunification, and creating a danger of war on the Korean peninsula.

The information points out that the U.S. imperialists and the South Korean ruling quarters staged a provocative air war exercise for surprise intensive strikes at strategic vantages in the northern half of Korea by letting fly many fighter planes from January 4 to 19.

It recalls that the U.S. defense secretary in his "defense report" contended that U.S. troops should be kept in South Korea and the commander of the U.S. Forces present in South Korea stated that the "Team Spirit" joint military exercises would be staged this year.

All the facts, it notes, show that the U.S. imperialists are trying to unleash another war on the Korean peninsula, threatening the DPRK still with strength.

The United States must stop the war games against the North, a leftover of the confrontation era, and change its Korea policy.

The South Korean authorities must stop at once the reckless war moves.

Japan-Korea Friendship Meeting Held in Tokyo

SK2301022593 Pyongyang KCNA in English 1007 GMT 22 Jan 93

[Text] Tokyo, January 20 [date as received] (KNS-KCNA)—A friendship gathering of Japanese and Korean men of culture took place here on January 18.

Present there were Ryosho Hayashi, director general of the Japan-Korea Cultural Interchange Association, Hideo Den, member of the House of Councillors and vice-chairman of the Dietmen's League for the Promotion of Japan-Korea Friendship, Akira Iwai, chairman of the Japan committee for supporting the independent and peaceful reunification of Korea, and other Japanese people.

Men of letters and artistes under the General Association of Korean Residents in Japan (Chongnyon) including Chong Hwa-su, chairman of the Central Standing Committee of the Union of Korean Literary Men and Artistes in Japan, were on hand.

The gathering was addressed by Director General Ryosho Hayashi and Chairman Chong Hwa-su.

The speakers called for cooperation in bringing about an early normalization of diplomatic relations between the DPRK and Japan.

Students Use Study Groups for Correspondence Courses

SK2801045893 Pyongyang KCNA in English 0408 GMT 28 Jan 93

[Text] Pyongyang, January 27 (KCNA)—On-the-spot study groups of college correspondence course in different parts of Korea are rendering great services to assimilating the whole of society to intelligentsia.

In recent years alone, hundreds of working people have become economists and engineers after finishing college curricula at the on-the-spot study groups organised by Chong Chun-taek Economy University and Kim Chewon and Nampo Universities and others. Among them are 58 commercial workers of the Kaechon department store, over 40 young couples of the Kumsan cooperative farm in Paechon County and 80 members of the youth workteam of the Pungchon cooperative farm in Tongnim County.

Under the benevolent care of the party and the state, a large number of working people are successfully finishing college curricula at the on-the-spot study groups, a form of higher education of studying while on the job. This most idealistic and popular higher educational system under which teachers go to the working places to give lessons to students has been enforced from January 1973.

Hundreds of on-the-spot study groups of college correspondence course are run at all working places including industrial estalishments, cooperative farms and fishing grounds.

Technicians and specialists are trained there in group to reinforce the technical force of the different national economic sectors.

During the past 20 years 16,000 technicians and specialists were produced by the on-the-spot study groups of 30 universities and colleges.

Besides, there are many factory colleges, farmers' colleges, fishermen's colleges and specialized colleges, higher educational forms of studying while on the job, in the country.

A large army of 1.6 million intellectuals in Korea include hundreds of thousands of intellectuals who passed through this educational system.

Among them are nearly 100 labour heroes and over 1,000 holders of academic degrees and titles.

They are now playing a great role at various posts of socialist construction.

In the past, they introduced 60,000 technical innovation proposals, greatly contributing to the chuche-orientation, modernisation and scientification of the national economy.

They played a great role in designing and manufacturing the oxygen system which is a complex of ultra-modern technique, the heat exchanging machine, the swing bridge of the West Sea barrage and the 10,000-ton press.

'Sharp Contrast' in N-S Employment Analyzed

SK2001042493 Pyongyang KCNA in English 2225 GMT 19 Jan 93

[Text] Pyongyang, January 19 (KCNA)—The North and the South of Korea offer sharp contrast in employment opportunities. There is no jobless people in the North under the most advantageous socialist system centred on the masses.

The great leader President Kim Il-song said in his New Year address. "In our country where the state is entirely responsible for the people's life, people do not have any worries about food, clothing and housing; moreover, all of them are working creatively engaged in jobs which are suited to their attitudes and abilities; where not a single jobless person or vagabond or beggar can be seen."

In the North where the state is entirely responsible for the people's life and the people do not have any worries about food, clothing and housing; all of them are engaged in jobs suited to their hopes and talents.

The right to work is guaranteed by law. The state provides people with stable jobs and work conditions. All people feel the joy of work and life in fruitful jobs.

The family of D.. Un Chong-song, head of the foreign literature chair of Kim Hyong-chik university of education, is an instance was born in Yongil County, North Kyongsang Province, South Korea. He came alone to the northern half at the age of 18. He finished university, receiving scholarship and became a doctor under the blessed system.

His three sons and daughters-in-law are all university graduates and work as teacher, researcher, designer, etc. displaying their talents. His youngest daughter is attending Yim Hyong-chik university of education.

Such family can be seen everywhere in the North. In South Korea, however, the opportunities of employment are diminishing due to the economic crisis and "high-class jobless people," that is, jobless university graduates, are growing in number every year. They totalled 100,000 in 1991.

The South Korean CHUNGANG DAILY in an article titled "Unemployment Makes Youth Sick" some time ago said that among the students of graduating classes of universities, those who failed to find jobs suffer from amblyopia, melancholia, indigestion, mental disorder and other diseases with agony. This has caused a public stir.

There are two million unemployed and five million semi-unemployed people in South Korea.

Their number is on a yearly increase, over 500,000 uprooted farmers, 500,000 young people reaching the working ages and tens of thousands of workers dismissed as a result of curtailment of operation and the bankruptcy of enterprises joining them.

University graduation diplomas are unemployment licences and even doctors are left jobless. This clearly shows the vulnerability on South Korean society.

Kazakhstan Diplomatic Ties Anniversary Marked

SK2801111993 Pyongyang KCNA in English 1101 GMT 28 Jan 93

[Text] Pyongyang, January 28 (KCNA)—Newspapers here today observe the first anniversary of the establishment of diplomatic relations between Korea and Kazakhstan.

The Governments of Korea and Kazakhstan opened diplomatic ties at ambassadorial level in conformity with the idea of independence, peace and friendship on January 28 last year, NODONG SINMUN recalls, and says:

It reflected the demand and desire of the two peoples for the expansion and development of friendly and cooperative relations.

Over the past one year the two countries have promoted exchange and cooperation in various fields. This conforms to the interests of the two peoples and is beneficial to the building of a new life.

The Republic of Kazakhstan, as an independent sovereign state, is developing friendly relations with many countries.

Its government is striving to achieve the stability of the country, develop the economy and improve the people's living standard.

The Korean people rejoice over the achievements made by the government and people of Kazakhstan in their endeavours to consolidate the independence and sovereignty of the country and develop the economy and wish them greater success in the future.

We will make efforts to solidify and develop the relations of friendship and cooperation with the Kazakh people.

MINJU CHOSON says the Korean people express the belief that the friendly and cooperative relations between the two countries will further expand and develop, and sincerely wish peace and prosperity to the Kazakh people.

140th Birth Anniversary of Jose Marti Marked

SK2801113793 Pyongyang KCNA in English 1056 GMT 28 Jan 93

[Text] Pyongyang, January 28 (KCNA)—Papers here today dedicate articles to the 140th birth anniversary of Jose Marti, a national hero of the Cuban people.

The author of the NODONG SINMUN article says:

Jose Marti was born into a poor family in Havana on January 28, 1853 and heroically fought against the foreign aggressors from his early years. He fell in action, not seeing the liberation of Cuba.

Till the last moments of his life, he was firmly convinced that Cuba would be liberated and sang of the freedom and victory which would certainly come.

Just as he was firmly convinced, the liberation of Cuba was finally won and the Cuban people are now dynamically advancing along the road of freedom and victory.

Today, the Cuban people live in a "special period in peacetime".

They are valiantly overcoming all the obstacles lying in their way.

They are firmly defending the gains of the revolution with rifles in their hands, frustrating the aggression and subversive activities of the U.S. imperialists and their stooges at every step.

No force can check the confident advance of the Cuban people.

MINJU CHOSON runs an article titled "Inheriting Spirit of Fighters".

Newspapers Mark Anniversary of India's Founding

SK2601112293 Pyongyang KCNA in English 1029 GMT 26 Jan 93

["Day of Republic of India Marked"—KCNA headline]

[Text] Pyongyang, January 26 (KCNA)—Newspapers here today dedicate by-lined articles to the 43rd founding anniversary of the Republic of India.

With the foundation of the republic on January 26, 1950, the Indian people could have the possibility of building an independent and prosperous new India, the article of NODONG SINMUN says, and goes on:

Over the past 43 years they have worked hard to consolidate the national independence and build a democratic and prosperous new India, registering great successes.

India, one of the founder-states of the nonaligned movement, is paying deep attention to the strengthening and development of the movement and playing an important role in it.

The Republic of India is conducting positive activities to turn the Indian ocean into a peace zone.

The Korean people are sincerely rejoiced over the achievements made by the Indian people in building a new life.

Both Korea and India are members of the nonaligned movement and Asian countries maintaining close ties with each other. This friendship will further consolidate and develop.

The Korean people wish the Indian people greater success in their endeavors to build a free and prosperous India.

MINJU CHOSON says the Korean people will make all possible efforts in the future, too, to strengthen friendship and solidarity with the Indian people on the basis of the idea of independence, peace and friendship.

KCNA Describes Attributes of 'Pyongyang Cold Noodles'

SK2701053893 Pyongyang KCNA in English 0416 GMT 27 Jan 93

[Text] Pyongyang, January 26 (KCNA)—Pyongyang has been noted for cold noodles, mullet soup, rice served in soup, green bean pancake and other specially prepared dishes from long ago. Best known among them is Pyongyang cold noodles.

It is made by kneading buckwheat flour and pressing it into noodlemaker before boiling. It is served in refreshing soup, meat stock, egg and spices.

The fine strips are sleek, glossy and not easily cut. Pyongyang cold noodles is served on a shallow round brass plate, coated with beef, pork and chicken stocks, eggs, cucumber, kimchi, slices of fruits, sesame oil, pepper and other seasonings. The refreshing soup of sourish flavour is appetizing. Pyongyang cold noodles is more popular in summer.

It is highly nutritious and easily digestible.

It is effective to prevent hypertrophy, arteriosclerosis, kidney trouble and other diseases.

Pyongyang cold noodles is served in Okyu, Chongyu, Moran and other restaurants in Pyongyang.

The Pyongyang Noodles House with 5,000 seats opened the door in Tongil Street last year to fully meet the ever growing demand of the citizens.

NODONG SINMUN Comments on Events, Issues

Imperialists Seek Domination

SK2801113693 Pyongyang KCNA in English 1048 GMT 28 Jan 93

["Dominationism Is Invariable Nature of Imperialism"—KCNA headline]

[Text] Pyongyang, January 28 (KCNA)—The imperialists, availing themselves of the collapse of the balance of forces in the international arena, are now trying to totally stifle the socialist forces, the independent forces, while openly seeking to dominate the world, says NODONG SINMUN in a by-lined article today.

Imperialism is dominationism by nature, the article notes, and stresses:

The dominationist attribute of imperialism has its socioeconomic basis in the capitalist system itself.

The imperialist countries intend to find a way out of the economic crisis getting all the more serious in securing many markets, raw material sources and capital-investment regions abroad and expanding their sphere of political and military influence.

They are scheming to put the whole world under their control by forming a united front.

With socialism frustrated in some countries, the imperialists are working to unipolarize the world, where they would rule supreme.

They employ every conceivable means to dominate the world. They resort to threat, blackmail, aggression and interference by violence against other countries. For this purpose, they are keeping military bases and armed forces in all parts of the world and threatening other countries with strength.

A typical example is that the United States has escalated war moves against the DPRK, keeping hold on South Korea as a colony and a military base.

The imperialists are also trying to perform "peaceful transition" in socialist countries and other progressive nations by winning over other countries economically with "aid", forcing "pluralism" on them and creating a socio-political confusion in those countries.

Now the arrow of imperialism is directed to resource-rich regions and military strategic vantages of the world. They have shaped a new strategy under the pretext of "settlement of regional disputes" and thrust their dominationist claws deep into the Asia-Pacific region.

As long as imperialism remains imperialism, its dominationist nature will never change.

Yi In-mo 'Must Be Repatriated'

SK2801114393 Pyongyang KCNA in English 1108 GMT 28 Jan 93

["Yi In-mo Must Be Repatriated and Prisoners of Conscience Be Released Without Delay"—KCNA headline]

[Text] Pyongyang, January 28 (KCNA)—Since the "Democratic Liberal Party" changed the "president" and promised "civilian politics" and "changes," it must break with the anti-communist fascist dictatorship, promptly send old man Yi In-mo back to his home as he and his wife and daughter eagerly want and release pro-reunification patriots, long-term prisoners and all other prisoners of conscience without delay, urges NODONG SINMUN in a signed article today.

Drawing attention to the noisy advertisement of "civilian politics" by the "Democratic Liberal Party" which took power again in South Korea, the paper says:

The authorities of the "Sixth Republic" staged a drama of "special amnesty" some time ago. But, in this, they left behind bars most of the pro-reunification patriots who visited the North and other prisoners of conscience, while completely releasing the real criminals of the "Fifth and Sixth Republics".

If a genuine civilian politics is to be established in South Korea, it is necessary to solve the problems of repatriating old man Yi In-mo and releasing prisoners of conscience, the offspring of the confrontation era. As their refusal to repatriate Yi In-mo and their persecution of him are branded as a suppression of human rights and has surfaced as an international issue, the South Korean authorities claim that it is a problem which must be discussed exclusively between the North and the South. This is intended to evade their responsibility for their inhumane crimes against human rights and refuse his repatriation, using it as a political bargaining chip in the future.

The repatriation of Yi In-mo and the release of prisoners of conscience are an important criterion showing whether the new ruling group of the "Democratic Liberal Party" intends to maintain the military fascist rule of the "Sixth Republic" or to follow a road to democracy.

If the "regime of the Democratic Liberal Party" maintains the military fascist dictatorship of the "Sixth Republic" after hanging out the signboard of "civilian politics", it will bring it no good results.

'Socialism Under Benevolent Politics'

SK2801134693 Pyongyang KCNA in English 1118 GMT 28 Jan 93

["Long Live Socialism Under Benevolent Politics!"—KCNA headline]

[Text] Pyongyang, January 28 (KCNA)—However desperately the imperialists and the reactionaries may try, they can never destroy socialism that has struck its deep roots into the minds of the Korean people.

Invincible is Korean-style socialism advancing with undisputed support and trust of the entire people.

NODONG SINMUN today declares this in a by-lined article titled "Long Live Socialism Under Benevolent Politics!"

The article quotes the dear leader Comrade Kim Chong-il as saying:

"The leader has shaped the most excellent benevolent politics for our people, regarding the ancestral kindness, goodness and virtues as a pride of the Korean nation."

The article notes:

Shaping benevolent politics means considering the people the master of politics and administering the affairs of the state with love for and trust in them.

Our party's politics is, above all, one based on trust in and love for the people.

Our party that deems it its noblest duty to serve the people thinks of the aspiration and demand of the people before anything else in adopting decisions and takes into consideration the happiness and interests of the people in building each factory. Love of and trust in the people are reflected in the general line of our party for strengthening the people's power, increasing its function and role and at the same time, carrying on the three revolutions, ideological, technical and cultural, and all other lines and policies of our party.

Our party's trust in and love for the people and its popular policies and deep care for every family and individuals make the people absolutely trust the party and remain unfailingly loyal to it. Our party's politics is also broad-minded politics involving all the people.

The broad-minded politics of our party is politics whereby it regards not only the basic masses but those with complicated family background and socio-political records as eternal companions of revolution and guides them with a good care.

The people should be appraised on the basis of their ideology and action and those who contribute to the revolution should be considered members of the driving force of revolution, irrespective of their social and class background. This is our party's unshakable stand and viewpoint.

Thanks to the broad-minded politics of our party, the workers, peasants, intellectuals and all their people are united closely around the party and the leader in Korea.

With the great leader at its head, the Workers' Party of Korea has been able to establish genuine politics for the people, the most excellent benevolent politics.

Today our party and people hold in high esteem the respected leader Comrade Kim Il-song, the most veteran and greatest statesman who personifies love for the people on a high level.

From the days when he embarked upon the road of revolution in his early years, the great leader Comrade Kim Il-song has devoted his all to the cause for the people with "believing in the people as in the heaven" and "devoting all to the people" as his favorite motto.

It is the imovable will of the dear leader Comrade Kim Chong-il to complete Korean-style socialism centered on the popular masses, inheriting this favorite motto of the great leader.

The dear leader possessed of literary and military accomplishments, loyalty and filial piety, has shaped the most excellent benevolent politics for our people with deep love for them. The anthropocentric Korean socialism is displaying invincible might under the most excellent benevolent politics shaped by the illustrious leader.

South Korea

DPRK Delegation Attends Tumen River Project Talks

SK2901064393 Seoul YONHAP in English 0600 GMT 29 Jan 93

[Text] Seoul, Jan. 29 (YONHAP)—The United Nations Development Program (UNDP) opened the first telecommunications talks for the multi-billion U.S. dollar Tumen River development project here Friday with officials from China, Russia, Mongolia, South and North Korea and the UNDP attending.

Pak Song-tuk, assistant communications minister for communications policy, told the meeting that South Korea could help modernize communications facilities in the Tumen River area using its experience. He said South Korea hoped for strengthened international cooperation in the field. A UNDP representative explained to participants a masterplan on communciations in the Tumen river area, including short- and long-term development and technology projects.

The short-term plan features building 90 wireless circuits between Vladivostok and Hunchun and 90 circuits between Russia and North Korea, and South Korea's putting up capital for a 30-circuit microwave communications network for a direct Seoul-Pyongyang telephone hook-up. It also plans on building 2,000 circuits each in Najin and Sonbong, 10,000 circuits in Hunchun, and 2,000 circuits in Slavyanka to promote the Tumen development project.

Three North Korean officials, including Kim Myong-ho, a deputy director at the Communications Ministry, took part in the meeting. Kim told reporters that the establishment of inter-Korean circuits should be sought separately from the Tumen River development project. "Formation of the direct circuits should be promoted in accordance with the inter-Korean agreement on exchanges and cooperation. It is a matter separate from the Tumen River project," he said.

Under the inter-Korean accord on exchanges and cooperation, which went into effect in September last year, South and North Korea will set up installations for postal and communications exchanges and connect them through the truce village of Panmunjom.

All 16 participants in the UNDP meeting were scheduled to tour the Suwon factory of Samsung Electronics Co. and Kwachon telecommunications station of Korea telecom Friday afternoon. On the second day of the meeting, they are to exchange views on the UNDP masterplan and discuss the technical problems in setting up the communications network necessary to develop the Tumen river area and short- and long-term commmunciations development plan.

Editorial Urges North To Accept Nuclear Inspections

SK2801021893 Seoul THE KOREA HERALD in English 28 Jan 93 p 6

[Editorial: "Team Spirit '93"]

[Text] What could have been dispensed with is slated to take place again this year because of the persistent refusal of North Korea to agree on measures to clear the suspicions about its nuclear development program. Last year Seoul and Washington shelved their annual joint military exercise in hopes of inducing Pyongyang into an agreement, but the overture proved to be of no avail.

Having exhausted their patience and respite, the two allies recently resolved to resume the exercise this year and notified North Korea of their decision. In announcing the step this week defense officials of the Seoul and Washington governments clarified anew the defensive and innocuous nature of the operation, opening it to the full view of all interested parties including North Korea and its allies who might otherwise read something adversarial and militant into the routine affair.

The same old propaganda line from North Korea decries the exercise as "a gesture of aggressive design on the part of the U.S. imperialists and its stooge" in the South. The Team Spirit exercises have been repeated since 1976 almost every year. There is nothing extraordinary or threatening about them.

With the development of worldwide detente and the end of the Cold War in recent years the ROK-U.S. exercise has been gradually scaled down and its transparency increased to such an extent that it is possible to invite all outsiders to come and watch the proceedings.

Its organizers have done the same this time for the defensive drills to be held in the middle of March. Some members of the Neutral Nations Supervisory Commission observing the Korean truce are likely to be present. Instead of finding fault with the offensive implications of the exercise, which are nonexistent, North Korea should send their observers to discover the facts for themselves.

The resumption of the Team Spirit provided Pyongyang with an excuse to sabotage the inter-Korean dialogue. The real root cause of the tit-for-tat is its rejection of a bid for inter-Korean inspections of nuclear facilities to supplement the insufficient reviews by the International Atomic Energy Agency. Removal of the main source of discord and distrust lies in the hands of Pyongyang. Its favorable response to the concerted demands by Seoul, Washington, Tokyo and most nuclear-wary nations of the world should have made Team Spirit '93 unnecessary. The right choice for North Korea now is to accept the proposed mutual nuclear inspections and get ready for renewed and open-minded negotiations with South Korea for reducing tension, building confidence and initiating multi-faceted exchanges and cooperation.

'Team Spirit' Announcement Reflects 'Absence of Progress'

SK2801022193 Seoul THE KOREA TIMES in English 28 Jan 93 p 6

[Editorial: "Resumption of Team Spirit"]

[Text] The joint Korea-U.S. announcement of a decision to resume the annual military exercise Team Spirit this spring reflects the absence of progress made in negotiations by South and North Korea on military affairs, particularly the nuclear issue. The event was suspended last year with a view to facilitating inter-Korean Dialogue.

Seoul and Washington concurred at their Security Consultative Meeting last October that they would again conduct the annual defensive exercise if there was no meaningful change to North Korea's opposition to the Seoul-proposed mutual nuclear inspections.

Since its inception in the mid-1970s, Pyongyang has hysterically reacted to Team Spirit, rejecting Seoul's invitation to observe the joint, combined drill of a defensive nature, usually participated in by over 120,000 troops, including U.S. servicemen from continental U.S., Hawaii and Okinawa.

North Korea, furthermore, was often seen placing the whole country on a full alert against what it called "war maneuvering of imperialist aggressors." It was obvious that the Pyongyang rhetoric concerning Team Spirit was designed to divert growing domestic dissatisfaction with political suppression and economic woes.

With the resumption of Team Spirit '93, scheduled for 10 days in mid-March, the South and North Korean talks are likely to be deadlocked at least until the end of the military exercise. The frozen inter-Korean relationship is, of course, not in the best interest of the two Koreas as on-going non-governmental economic exchanges will be surely discouraged.

However, as for Seoul and Washington, there was no option but to conduct the annual military drill, insofar as suspicions about the North's nuclear weapons International Atomic Energy Agency (IAEA) has conducted nuclear inspections in North Korea on a few occasions, but they are regarded as insufficient to stop the North's nuclear weapons development project.

What is essential at this juncture is to press ahead with the Seoul proposal for the bilateral nuclear verification of military sits and for challenge inspections on short notice. Pyongyang has so far adamantly refused to open its military sites for security reasons while paradoxically calling for the probes of both Korean and U.S. military facilities.

It seems that a consensus has been built between Seoul and Washington that, with the current negotiations on the nuclear problem having reached their limits, there must be a demonstration of force to compel the North to give up its nuclear program both in word and in deed. The display of joint efforts to this end is considered appropriate at a time of power transition in the governments of the two allies.

Government Preparing Zaire Evacuations

SK2901120693 Seoul YONHAP in English 1135 GMT 29 Jan 93

[Text] Seoul, Jan. 29 (YONHAP)—The government is working on a plan to evacuate home the Korean Embassy officials, businessmen and their families in Zaire totaling 57 as an unrest in the African country is growing worse, a Foreign Ministry official said Friday.

The official said that the Korean Embassy and stores owned by Korean businessmen in Zaire were ransacked several times, but so far there were no casualties among Koreans.

The government, he said, has been negotiating with some allies like France and Belgium for cooperation in pulling Koreans out of the strife-torn country.

Presently the Korean Embassy and the ambassador's residence are being guarded by Zairean Government troops, the official said.

Companies Seek Government Help in Dealing With U.S. IRS

SK2801042993 Seoul YONHAP in English 0217 GMT 28 Jan 93

[Text] Seoul, Jan. 28 (YONHAP)—South Korean companies operating in the United States are seeking the Seoul government's support in their efforts to cope with stepped-up tax investigations by the Internal Revenue Service [IRS], the Korean Foreign Trade Association

[KFTA] said Thursday. President Bill Clinton's administration has not only tightened regulations on imports but stepped up tax probes against foreign companies.

In order to resolve their difficulties, Korean companies are holding seminars and writing letters to the various ministries in Seoul, seeking government-to-government level help, KFTA said. The Korean Chamber of Commerce in New York, for instance, has sent letters to the Finance and the Trade and Industry Ministries and the National Tax Administration and has asked the government to press the U.S. Government to lighten the tax burden imposed by the IRS on foreign subsidiaries.

The New York Chamber of Commerce, with a membership of 140 Korean companies, was formed on June 19, 1992.

Meanwhile, many Korean enterprises engaged in business in the eastern United States held a seminar, sponsored by the Korea Trade Promotion Corp., last Tuesday and discussed the tax policy of the Clinton administration and ways to cope with it.

Legislators Organize Against Open Rice Market

SK2801044593 Seoul YONHAP in English 0220 GMT 28 Jan 93

[Text] Seoul, Jan. 28 (YONHAP)—A group of lawmakers prepared for a parliamentary union against rice market opening Thursday. Reps. Chong Chang-hyon of the majority Democratic Liberal Party, Yi Kil-chae of the Democratic Party and Song Kwang-ho of the United People's Party formed an inauguration preparatory committee and asked all their colleagues to join their Union of National Assemblymen Against Rice Imports.

"We must block tariffication and even minimum market access of rice for the livelihood of our farmers and food security," they said in a statement.

"We completely support farmers and social groups in their opposition to rice market opening and we form the union to promote the movement on a pan-national level," it said. The lawmakers plan a petition drive until inauguration of the union on Feb. 10 and the first general meeting in early March.

Defense Ministry To Promote Rice Consumption

SK2801035693 Seoul YONHAP in English 0213 GMT 28 Jan 93

[Text] Seoul, Jan. 28 (YONHAP)—The Defense Ministry has decided to promote rice consumption by feeding more of it to the military. For three months beginning in March, the ministry will supply the armed forces with rice in the form of noodles and two other foods twice a month. It is currently discussing the plan with food companies, a ministry source said Thursday. Each serviceman will be fed two sorts of noodles, of 74 percent and 60 percent rice, twice a month from March. In addition, they will be given 100 grams of rice crackers twice a month from July through September, according to the source.

The ministry was responding to pleas from the Agriculture, Forestry and Fisheries Ministry and the Army for help to increase rice consumption, the source added.

Ministry Tallies German-Model Unification Costs

SK2801032093 Seoul YONHAP in English 0220 GMT 28 Jan 93

[Text] Seoul, Jan. 28 (YONHAP)—North Korean President Kim Il-song will die soon and the country will collapse, possibly leading to sudden unification, the Finance Ministry predicted Thursday. The South would then have no choice but to absorb the North Korean economy as West Germany did the East, the ministry said in an evaluation of the German economy two years after unification.

If South and North Korea achieve German style unification under current economic conditions, the difficulties will be far greater than for Germany, it said. The German economy is in severe trouble due to the painstaking reconstruction of eastern Germany, it said, adding that it would take a considerable time for economic restructuring.

Citing a forecast by the Korea Development Institute (KDI) of the cost of unification, the report said that the financial burden will be too much for the Korean economy in view of the difference in economic power between South Korea and West Germany, though the figure is smaller for Korea.

KDI forecast that if unification is accomplished in the year 2000, some 980 billion U.S. Dollars (1.57 trillion Deutsch marks) will be needed, compared with 2 trillion marks for Germany.

South Korea's gross national product was 280 billion dollars in 1991, 21 percent of West Germany's 1,330 billion dollars before the collapse of the Berlin Wall.

The unified Germany had to set the exchange rate between East and West German currencies at 1:1 to check East Germans from stampeding to the West as it allowed the free travel, dealing a blow to the West German economy.

Explaining Germany's experience, it suggested that inter-Korean travel be limited after unification to minimize the economic burden without blocking reunions of separated families. The inducement of foreign capital should be given positive thought to pay for unification because new taxes and unification bonds have limits as they might freeze investment psychology.

The South and North Korean currencies should be unified gradually and the exchange rate be set at a level that doesn't overvalue the North Korean won.

president in many, many years, Mr. Kim will give more weight to public opinion than any of his predecessors did. Reflecting this expectation, Kim Yong-sam intimates said, "DLP President Kim is sure to make the kind of personnel selections to which the public will nod their heads when they read press reports on them." Particularly in the early days of his administration, the new president is expected to give as much weight to "appearances" as ability so that the personnel actions he takes will appeal to the public. There is all the more necessity for public acceptance because he has to show above all else that his personnel actions are different from those taken by his predecessors in the Fifth and Sixth Republics, thereby presenting a fresh image of his administration.

Faces of New Secretaries

Kim Yong-sam's personal ties may be classified into the following categories: the expert policy staffers appointed to the party secretariat when it was reorganized this past June; the university professors and other experts who offered advice on policy matters during the presidential campaign; Kyongnam High School graduates and other personages with Pusan-Kyongnam ties who are widely scattered in all walks of life; the people belonging to the new mainstream centering on the DJP faction who led the move in support of Mr. Kim's candidacy during the presidential campaign period and who carried out vigorous activities in the election campaign headquarters; the key staff members who were the influential members of the former RDP and now belong to the pure-blood RDP faction in the DLP; the so-called "loyalist" group which has been closest to Mr. Kim; the private organizations which were reorganized and expanded during the presidential race; and other party officials.

DLP President Kim Yong-sam's new secretarial staff consists of the experts whom realizing the limitations of his former staff, he brought in from the outside following his nomination as the ruling party's presidential candidate after all sorts of difficulties and hardships. The new team has functioned as his "think tank." For Kim Yong-sam, his new secretarial staff meant a transfusion of fresh blood; and for those who joined the staff, it meant boldly abandonment of their occupations and jumping into the adventure of "making Kim Yong-sam president."

The new secretaries are: Choe Chang-yun, senior secretary; Pak Chae-yun, special assistant for economic affairs; Han Yi-hon, secretary for economic affairs; O In-hwan, special assistant for political affairs; Yi Kyong-chae, special assistant for public relations; and Nam Chu-hong, special assistant for security affairs.

Senior Secretary Choe Chang-yun, a military academy graduate, is said to have been choson in recognition of his experience as former Chongwadae senior secretary for political affairs and his administrative ability. But according to the established opinion, he was selected at the recommendation of President No Tae-u and not according to Kim Yong-sam's own choice. By placing his man in Kim Yong-sam's secretariat, President No may have expected him to play the role of a kind of "windbreak."

Reportedly, DLP President Kim's original plan was to appoint Yi Hong-ku, ambassador to the United Kingdom, as his senior secretary. But he gave up the plan in the face of President No's opposition.

Special Assistant for Economic Affairs Pak Chae-yun, former Seoul University economics professor; and Assistant for Economic Affairs Han Yi-hon, former bureau chief at the Economic Planning Board, are at once complementary to each other and rivals. Han thought he had priority because he joined the Kim Yong-sam camp shortly after the three-party merger when it was uncertain whether or not Kim Yong-sam would be nominated as presidential candidate. But one day Pak Chae-yun suddenly appeared and ensconced himself in the post above him. So, at one time Han showed his disappointment at DLP President Kim's choice of Pak.

The new special assistant, Pak Chae-yun, injected into DLP President Kim his so-called "leadership economics theory," the doctrine that "politics and economy are the two sides of the coin" and "it is possible to overcome the economic difficulty through political leadership." However, Han Yi-hon seemed to have disagreed somewhat with this theory. Han held the position that even the president should also know key economic figures and economic theories to a certain extent.

Special Political Assistant O In-hwan, former chief of the political department and chief editor of HANGUK ILBO, does not have a long tie with DLP President Kim because he was not a political reporter. But he has a rare political clout as former journalist and has played his role as a key advisor to the party president in making political decisions.

The special assistant for security and unification, Nam Chu-hong, former National Defense College professor, suddenly became popular as he often appeared on the screen as a commentator during the Gulf War. He, like Assemblyman Kim Tok-yong, one of the key figures of the RDP faction, comes from the Honam area; and he is believed to have been choson thanks to his personal intimacy with Kim Tonk-yong. Assistant for Protocol Affairs Chong Chu-nyon has a diplomatic background; he successively served as spokesman of the Foreign Ministry, delegate to the inter-Korean talks, and ambassador to Thailand. When Korean Central Intelligence Agency (KCIA) Director Yi Hu-rak visited Pyongyang in 1972, Chong accompanied him.

Assemblyman Kim In-sop, who is not currently on the secretarial staff but who joined the Kim Yong-sam camp after the 26 April 1988 general election; and Kim Chong-won, former special assistant for political and foreign affairs, are both experts. Kang, former member of the TONGA ILBO editorial board, joined the RDP as part of the move to enlist experts from the outside, and since then he has worked as a speech writer for Kim Yong-sam. Former special Assistant Kim Chong-won, holder of a doctor's degree in international politics from Johns Hopkins University, is currently assisting DLP President Kim from the outside while working as a lawyer.

According to general speculation, when President-elect Kim organizes his Chongwadae secretariat, it is highly possible that he will appoint only some from among both the existing "loyalist group" and the expert "policy staff," leaving the rest out but securing their future by some other means.

Large Advisory Group of Professors

Among the outsider groups which offered advice to DLP President Kim before and during the presidential race, the economic advisory team that worked out the "new economic plan" for DLP President Kim may come first. In view of the fact that there was an urgent need to make up for the weakness of the party president who had devoted himself nothing but to politics for 40 years, and that the importance of the economy has increased with each passing day, the Kim Yong-sam camp had to contact in earnest with this economic team, a brain trust.

DLP President Kim Yong-sam once excited laughter when he called the "Uruguay round" as "the Uruguay situation" and "tactical nuclear weapons" as "nuclear reactors." But it was not until he learned the lesson that "it takes more than struggle and conviction to run the country" that he began to study economics, rather belatedly. It is similar to the case of Chon Tu-hwan, who when he was chairman of the Standing Committee for National Security, began to learn the ABC's of economics from then Minister of Economic Planning Kim Chae-ik.

Those who have been most active among the members of the economic advisory group are: former Vice Prime Minister Kim Man-che; Assemblyman Yi Myong-pak; Pak Chae-yun, special assistant for economic affairs; Song Hui-chung, director of the Korea Development Institute (KDI); Yi Kyu-ok, son of former NDP Supreme Council member Yi Chung-hwan and a KDI senior researcher; Pyo Hak-kil, Seoul University professor of economics; Cha Tong-se, director of the Lucky-Goldstar Research Institute; Kang Kwang-ha, Seoul University professor; and No Song-tae, director of the Cheil Economic Institute. Inside the party, Assemblymen Na Ung-pae (former vice prime minister) and Assemblyman So Sang-mok (director of the Second Political Coordination Office) have offered a lot of advice.

DLP President Kim put so much faith in ex-Vice Prime Minister Kim Man-chae that the former reportedly said to the latter, "I want you to take charge of the economy." Kim Man-chae is a member of what is commonly known as the Sogang school. He was the KDI director in the 1970's under President Pak Chong-hui, playing a leading role in ushering in the era of the surplus economy. Kim Yong-sam's trust in Kim Man-chae points to the high possibility that experience rather than theory will count in the economic field in the future.

In addition, former Finance Minister Kang Kyong-sik; Hanyang University Professor Ku Pon-ho; Han Ki-chun, professor at the University of Foreign Languages; former Finance Minister Sa Kong-il; Assemblyman Kum Chin-ho (former minister of trade and industry); former Assemblyman Han Sung-su (former minister of commerce; and present Minister of Commerce Han Pong-su may be regarded as economic experts around President-Elect Kim. Former Assemblyman Hwang Pyong-tae (former assistant minister of economic planning) and former Assemblyman Kim Tong-kyu (former assistant minister of trade and industry in charge of heavy industries) had served as policy advisors to Kim Yong-sam when he was in the opposition. But these two were practically inactive during the presidential race.

Apart from the personages listed above, Kim Yong-sam's second son, Hyon-chol, mustered a large number of doctor's degree holders in economics and business administration in their thirties and forties around him, and from them he funnelled the kinds of fresh ideas that veteran politicians lacked to his father. Reportedly, Kim Yong-sam intimates once discussed the question of whether or not to make public the list of members of his economic group including this brain trust, but they decided not to make it public.

Reportedly, around DLP President Kim there is a fairly large but not widely publicized group of professors who are experts in areas other than economics. The following scholars are known to be in that group: Yi Myong-hyon, Seoul University philosophy professor, who coined the words "a new Korea" during the recent presidential election; Han Wan-sang, Seoul University sociology professor; Hyon Sung-il, president of Kungmin University; Pak Se-il, Seoul University professor (of law and economics); Son Pong-ho, Seoul University professor of social education; Yi Kak-pom, Seoul University sociology professor; Kwak Su-il, Seoul University professor of business administration; Yonhui University Professors Choe Pyong-kil and Yi Ki-tak; and Sungsil University professor Yi Sam-yol. Seoul University Professor An Pyong-chik, known as a progressive economist, is also close to DLP President Kim, according to Assemblyman Kim Tok-yong. Current Education Minister Cho Wan-kyu, former Yonsei University President Pak Yong-sik, and former Seoul University Philosophy Professor Kim Tae-kil belong to the group of doyens whose high opinions DLP President Kim solicits before making his major decisions.

Samsuhoe-Centered Kyongnam High School Ties

His Pusan-Kyongnam [PK] connection cannot be overlooked among Kim Yong-sam's personal ties. Needles to say, DLP President Kim has been elected to the presidency on the strength of his nationwide support base. But among the personages around him many come from the Pusan-Kyongnam area because he was born on Koje Island, South Kyongsang Province, and graduated from Kyongnam High School, and because Pusan was his political base in the period of his political maturity.

In his PK connection, the Kyongnam High School alumni group is most prominent. First, there is the "Samsuhoe" (Third Wednesday Society), a group of his old high school classmates. The group of Kyongnam High School graduates of the third graduating class is named Samsuhoe because they meet every third Wednesday of each month. Samsuhoe members have already established themselves in their respective fields. Therefore they are not likely to be considered as candidates when Kim Yong-sam make personnel appointments in the future, but rather expected to called upon to offer advice each time he makes major decisions on personnel affairs.

Samsuhoe has more than 40 members. Beginning with Kwak Won-pae (director of a dental clinic), chairman of the Seoul Samsuhoe group, they include: Choe Chae-ku, permanent advisor to the DLP; Kim Yong-il, advisor to Korea Securities Dealers Association; Kim U-kyom, professor of Seoul Medical School; Mun Pyong-chip, former president of Chungang University; Pak Chun-yang, former director of the Taegu High Public Prosecutors Office; Pae Chae-sik, professor of the Seoul University Law School; So Chae-kun, professor of Tongguk University; Cha Sang-hong, president of Kwangwon Trading Firm; Assemblyman Song Tu-ho; Sin Chong-sop, former ambassador to West Germany; former Assemblyman O Chun-sok; Im Kwan-pin, representative of Kyerim Corporation, a medical equipment importing company; Han Chun-sok, Seoul resident advisor to the Kyongnam High School Alumni Association; Yu Yong-yol, chairman of the Pusan Samsuhoe; Choe Chu-sik, former president of HANGDO ILBO; Kim Ung-che, former business director of PUSAN ILBO; Won Yong-sin, former principle of Konguk High School; Chon Pyong-ki, representative of Taehan Teaching Aids Company; and Pak Chong-tu.

Kyongnam High School has turned out a total of 21,097 graduates in 46 classes altogether, and they are scattered throughout the country. There are as many as 10 Kyongnam High School graduates among the LDP assemblymen of the 10th National Assembly alone. They are: Song Tu-ho from Koje Island (third graduating class), the same native place as Kim Yong-sam's; Chong Sang-chon, chairman of the Kyongnam High School Alumni Association (fourth); Na O-yon (sixth); Kwak Chong-chul (11th); Pak Hui-tae (11th); Yu Hung-su (11th); Mun Chong-su (12th); Kim Ki-to (17th), and Kim Hong-o (20th), [in addition to Kim Yong-sam].

The following bureaucrats are Kyongnam High School graduates: Chu Kyong-sok, commissioner of the Office of National Tax Administration (eighth graduating class); Chong Mun-hwa, minister of government administration (13th),; Pak Chong-pu, vice minister of health and social affairs (11th); Cho Kyu-hyang, vice minister of eduction (14th); and Chong Hyong-kun, director of investigation, the Agency for National Security Planning (17th).

Kyongnam High School graduates serving the judicial branch include: An U-man, justice of the Supreme Court (10th graduating class); Yi Chol-hwan, chief of the Masan District Court (11th); An Yong-tok, chief of the Taegu High Court (12th); Kim Ki-su, chief of the Chunchon Public Prosecutors Office (11th); and Kim Ki-in, director of the Office of Customs Administration (11th). Among the Kyongnam High School graduates active in the financial sector are: Kim Yong-il, permanent advisor to the Korea Securities Dealers Association (third graduating class); Chong Chang-sun, executive director of Hanil Bank (fifth); and Yi Chang-kyu, board member of the Bank of Korea (eighth).

Possibility of PK Connection Rising to Power

There are many Kyongnam High School graduates in the field of education. They include: Kim Chong-hyop, president of Tongtok Women's University (fourth graduating class); No Kwan-taek, director of the Seoul University Hospital (11th); Pak Pong-sik, president of Seoul University (fifth); Pak Yong-sik, former president of Yonsei University (seventh); Kwon Yong-song, Seoul University professor (11th); Chang Hyok-pyo, president of Pusan University (eighth); and Chong Su-pong, former president of Tonga University. There are quite a few Kyongnam High School graduates in the military, including Ku Chang-hoe, commanding officer of the 3d Army (12th graduating class); and Kwak Chae-song, commanding officer of the 1st Marine Division (13th).

In the economic field, Kyongnam High School graduates have forged so extensive personal ties that persons with PK ties are said to dominate the scene. To name only a few, Sin Sang-tae, vice chairman of Kukje Corporation (fourth graduating class); Choe Sok-won, advisor to Samhwan Enterprise (sixth); Kwak Hu-sop, representative of Lotte Canon (11th); No Chol-yong, president of Sangyong Paper Co (eighth); Yun Tae-uk, president of Yukong-Arco Chemical(11th),; Kim Yon-su, president of Samsung Heavy Industries (10th); Han Hyong-su, vice chairman of Saehan [new Korea Media (12th); Chong Sun-chak, representative of Sunkyong Construction Co (13); Sin Chun-ho, vice chairman of Lotte Construction Co (14th); Song Kyu-chong, president of Tongmyong Steel Co (16th); Pak Chae-il, chairman of Choyang Merchant Shipping Co (17th); Ko Pyong-hon, president of Julia (18th); Kim Chung-won, chairman of Hanil Synthetic Fiber Ind. Co (20th). In addition to these Kyongnam High School graduates, Yi Kon-hui, chairman of the Samsung group; Ku Cha-kyong, chairman of the Lucky-Goldstar group; and Pak Yong-hank, chairman of the Taenong group; and Cho Chun-hun, chairman of the Hanjin group, have long supported Kim Yong-sam, so that those in economic circles say that the general drift in the economic world is definitely in favor of him.

As a result, some observers hastily speculate that just as the so-called Taegu-Kyongbuk (TK) connection was forged with Kyongbuk High School Graduates at the center under the Sixth Republic, the Pusan-Kyongnam

(PK) connection will be forged with Kyongnam High School graduates at the center under the forthcoming administration.

However, the currently dominant view is that Kim Yong-sam will not practice the same kind of biased personnel administration based on regionalism that prevailed under the Fifth and Sixth Republics. Assemblyman Choe Pyong-yol, a Pusan High School graduate, said, "some of those from the Pusan-Kyongnam area will be hired if they are able, but party President Kim won't narrow the field of choice in personnel action in favor of a certain region." Some say that there will be many cases in which Kim Yong-sam would rather hesitate to hire some prospective appointees because they come from the PK area. As you recall, he made a public pledge to form a "personnel affairs committee" to insure fair personnel administration.

In this connection, some argue that the TK group's excessive monopoly of key posts under the Fifth Republic is attributable to Assemblyman Pak Chol-on's personal ambition rather than to President No's desire. A DLP assemblyman said, "President No could not have known where to find each individual prospective appointee, and Assemblyman Pak Chol-on placed his high school alumni in key posts in order to expand his own power." He added, "Assemblyman Pak is 70 to 80 percent responsible for the fact that the TK group had a monopoly of all key posts in all fields, be they the financial world, state-run corporations, police, and public prosecutor's offices."

Well, the problem is how DLP President Kim will handle the personages with TK ties who practically monopolize all key posts in every field. The consensus of opinion is that he will not hastily weed them out, but they will gradually be pushed out to be mixed with others because most of them have their terms of office.

However, it is correct to predict that the influence of the TK group will generally ebb under the new administration. In the past LDP President Kim had practically no ties with the TK group except with few Kyongbuk High School graduates, including former Assemblyman Kim Hyon-kyu; Assemblyman Kang Sin-ok; and Professors Han Wan-sang and Hyon Sung-il. Some point out that it is structurally impossible to fuse the old force centering on the TK group that had remained a vested interest group from the Third through the Sixth Republic with the new force.

Some speculate that the TK group and the DJP faction will be given preferential treatment to a considerable degree within the DLP in order to maintain the administration's support base, but that when it comes to the Chongwadae secretarial staff, many of the posts will be filled with men with PK ties because there is no need to apportion his secretaries on a regional basis.

Distinguished Campaign Performers

The future dynamics of power within the DLP also deserves attention. At the center of the DJP mainstream faction are: the so-called DJP Gang of Five—Kim Hun-hwan, Kum Chin-ho, Yi Won-cho, So Tong-kwon, Son Chu-hwan—and Assemblymen Kim Yun-hwan [as published], Kim Yong-tae, and Kim Chong-ho; and former Assemblyman Nam Chae-hui. Assemblymen Pak Se-chik, Chong Chae-chol, and Pak Hui-tae; and former Assemblymen Yi Chi-ho are each expected to play their respective roles. Among the elderly statesmen who have actively supported DLP President Kim Yong-sam are: incumbent Assemblymen Kwon Ik-hyon, Kim Chae-sun, and Yi Man-sop; and former Assemblyman Kim Chong-ye.

Assemblymen Kim Chung-wi and Kang Chae-sop, both assistants to the party president for political affairs, are expected to assume an active role. When members of the mainstream of the DJP faction led by Pak Tae-chun, Supreme Council member, were bolting the party one after another, Kang Chae-sop early on declared his decision to stay, though he was a Wolgyesuhoe member. Being the hero who stemmed the flow of desertion, Assemblyman Kang is very dear to the party president. In addition, Assemblymen Yu Hung-su and Sin Kyong-sik, who both played a leading role in the Committee in Support of Kim Yong-sam's Candidacy, as well as Assemblymen Kim Yong-kwang and Cho Pu-yong, both belonging to the NDRP faction, enjoy the trust of the party president, Kim Yong-sam.

However, only a few of these party insiders are expected to be chosen for cabinet posts of the next government because the conclusion was already drawn during the Fifth Republic on the merits and demerits of naming party insiders to cabinet posts.

In the national campaign headquarters, these members of the new power group in the DJP faction played the pivotal role, although Chong Won-sik and others joined them. In the Election Policy Committee, four standing vice chairmen, namely, Assemblymen Kim Yun-hwan, Yi Chun-ku, Yi Han-tong, and Chong Ho-yong; and Kim Yong-ku, director-general of the National Campaign Headquarters, split up the work among five of them under chairman Chong Won-sik.

The question that draws attention is how the dynamics of power will work in the future among these middle-weight bosses who served as standing vice chairmen of the National Campaign Headquarters. Assemblymen Kim Yun-hwan and Chong Ho-yong were classmates of the 32d graduating class of Kyongbuk High School, and they are expected to wage a war of nerves for the hegemony of the TK group. With Assemblymen Kim Pok-tong and Pak Chol-on withdrawn from the party, the power struggle inside the TK group will be condensed to a power game between Kim Yun-hwan and Chong Ho-yong. At the same time, it is also interesting to watch how Assemblyman Kim Yun-hwan, member of the DJP mainstream faction, and Assemblymen Yi Chun-ku and

Yi Han-tong, members of the nonmainstream, will cooperate and compete with one another. Kim Yun-hwan and Yi Han-tong were in bitter rivalry for hegemony when the National Campaign Headquarters was organized.

In the National Campaign Headquarters, 24 separate campaign group leaders did their best in their respective fields under Director-General Kim Yong-ku. The heads of these groups include: Yi Hae-ku (organization group); Ha Sun-pong (youth affairs group); Chu Yang-cha (women's affairs group); An Chan-hui (capital zone group); Sin Kyong-sik (seminar group); Cho Pu-yong (general public relations group); Choe Chae-uk (specific public relations group); Kim Chin-chae (policy advisory group); Kim Han-kyu (religious affairs group); Assembly Kang Sam Chae (cultural and art affairs group); former Assemblyman Kang Song-mo (group on affairs related to people from the five North Korean provinces); Assemblyman Kwon Hae-ok (election pledge group); former Assemblyman Chong Tong-yun (general policy group); So San-mok (economic policy group); Paek Nam-chi (social and cultural affairs group); Assemblyman Chong Yong-hun (civil grievances group); former Assemblyman Kim Un-hang (candidate security affairs group); Yi Sang-chae (stumping arrangement group); and Assemblyman Kim Ki-hong (evaluation group).

Kim Yong-chin, chief of the general situation room; Kang Yong-sik, senior secretary to the Election Policy Committee; and Cho Kyong-mok, director of the Social Development Institute (pollster), are the ones that need to be mentioned. It is interesting that former Prime Minister Chong Il-kwon was added to the Election Policy Committee as its standing adviser at the 11th hour before the election took place. In addition, there were four subcommittee chairmen assigned to the Election Policy Committee. They are: Choe Pyong-yol (planning); An Ung-mo (affairs related to people from five North Korean provinces): Kang Sin-ok (promotion of fair election); and Kim Yong-su (economic analysis).

In addition, as many as 33 sector-by-sector committee chairmen were named to canvas among various economic, social, and religious organizations for the votes of their members. They are: Assemblyman Kim Chae-kyom (economic organizations—group 1); former Minister of Environment Ho Ham-hun (economic organizations—group 2); Cho Nam-uk (economic organizations—group 3); former Transportation Minister Yim In-taek (economic organizations—group 4); Yi Ung-son (economic organizations—group 5); Assemblyman Na O-yon (economic organizations—group 6); Professor Om Yong-sok (economic organizations—group 7); Assemblyman Kim Chong-su (health and medical organizations); Yi Tae-sun (educational organizations); former Assemblyman Chong-taek (service organizations); Yang Chong-kyu (transportation and communications organizations); Pak Chun-pyong (defense and veterans organizations); Kim Yong-kwang (social organizations—group 1); Im Sa-pin (social organizations—group 2); former Transportation Minister Kim Chang-sik (social organizations—group 3); Assemblyman Pak Chae-hong (special organizations)p; former Seoul Mayor Kim Yong-nae (external cooperation); Choe Sang-yong (labor organizations); Kwon Ik-hyon (Buddhist organizations); Kim Chung-wi (Chondoist organizations); Pak Se-chik (Christian organizations); Yi Ung-hui (folk religious organizations); Kim Kwang-su (social welfare organizations); O Se-ung (cultural organizations); Assemblyman Kang Son-yong (art organizations); former Sports Minister Cho Sang-ho (sports organizations); Kim Chong-ho (clan organizations); Yi Se-ki (alumni organizations); Chong Si-chae (agricultural and forestry organizations); Assemblyman Chong Sun-tok (agricultural fishery organizations); former Agriculture and Fisheries Minister Yun Kun-hwan (stockbreeders organizations); Assemblyman Ku Cha-chun (enlightenment organizations); and An Song-hyok, former chairman of the Sodaemun B district party chapter (organizations of handicapped persons).

In the public information and briefing office, Planning Chairman Choe Pyong-yol and Public Relations Chairman Pak Kwan-yong were separately in charge of public relations activities directed at public organizations and those directed at private organizations. The following persons were active in public relations activities toward public organizations: Assemblymen Kang Yong-sik, Pak Pom-chin, and So Sang-mok; Special Assistants O In-hwan and Yi Kyong-chae; Deputy Spokesman Yi Won-chong; Ku Chang-im, senior secretary to the National Assembly speaker; Yi Hyong-kyun, former KYONGHYANG SINMUN chief editor; No Chae-song, former KUNGMIN ILBO vice president; Chon Pyong-mun, former chief of policy and planning, Hyundai Social Research Institute. On the other hand, in public relations activities toward private organizations, the following persons hustled about: Kim To-hyon, former KYONGNAM ILbo editorial board member; Ho Sul, former deputy chief of publication, CHOSON ILBO; Pak Chong-son, former director of Hyundai Research Institute; Om Hyo-hyon, former Radio Tongyang and KBS correspondent in West Germany; and Yi Song-hon, former chairman of the Yonsei University student body.

In Assemblyman Choe Pyong-yol's case, he played a decisive role in the Election Policy Committee. But now that the election is over, he is reportedly determined to resume his parliamentary activities, expecting no reward for his contribution to the election results. He is said to be convinced that because he formerly served in the cabinet of the Sixth Republic under President No Tae-u for three and a half years, it is not desirable for him to offer himself to the service of the new government. Reportedly, he is planning to conduct a political reform movement by working together with Assemblymen Ho Hwa-pyong and Yi Myong-pak in "Hanbaekhoe," an inner party circle.

Gang of Three Affiliated With RDP Faction

The origin of the pure-blood RDP faction was the group organized around Kim Yong-sam as its sole leader when he was in the opposition. People in this faction come from various walks of life, including former secretaries and party bureaucrats. There are also former government officials and journalists who have distinguished themselves since the 13th National Assembly.

Among former government officials, the late Kim Tong-yong, former minister of state, and Assemblyman Choe Hyong-u are typical cases.

Those from the secretarial field includes: Sin Sang-u, Kim Tok-yong, Kim Tong-kyu, Choe Ki-son, So Chong-won, and Kim U-sok, each of whom once served as chief secretary, in addition to Assemblymen Kim Pong-cho and Mun Chong-su; ex-Assemblymen Sim Wan-ku and Yu Song-hwan; and Deputy Spokesman Yi Won-chong.

Among the people from other factions are: Assemblyman Pak Kwan-yong, originally a member of the Yi Ki-taek faction; Assemblyman Kang Sam-chae, who had no factional affiliation; Assemblymen Hwang Myong-su and Chong Chae-mun, originally members of the Yi Min-u faction; ex-Assemblyman Pak Chong-yul, former member of the Kim Tae-chung faction; ex-Assemblyman Kim Su-han, originally a member of the Yi Chol-sung faction. Assemblyman Kim Chong-su and middleweight Assemblymen Kim Chae-kwang, Sin Sang-u, and Hwang Nak-chu, and ex-Assemblyman Pak Yong-man also came from other factions.

Among former government officials and journalists are: ex-Assemblyman Kim Tong-kyu, former assistant minister of trade and industry; ex- Assemblyman Hwang Pyong-tae, former vice minister of economic planning and former president of the University of Foreign Studies; Assemblyman Kang In-sop, former member of the TONGA ILBO editorial board; Assemblyman Yi In-che, a former jurist; Assemblyman No Sung-u, former professor of the University of Foreign Studies. Assemblyman Yi Kang-tu, former minister to the Soviet Union, who was a government official in charge of the economy, also belongs to the RDP faction as broadly defined.

Assemblymen Choe Hyong-u, So Sok-chae, and Kim Tok-yong are regarded as three "powerhouses" in the RDP faction.

Assemblyman Choe Hyong-u is one of what used to be the twin heads of the RDP faction as the expression "Chwa [left] Tong-Yong and U [right] Hyong-u" suggests. He has emerged as the number two man in the RDP faction by filling the vacuum created by the sudden death of the late Minister of State Kim Yong-tong. Assemblyman So Sok-chae is a died-in- the-wool "Kim Yong-sam (YS) man," who entered politics as Kim Yong-sam's senior administrative secretary for district chapters. He is known as the man who can read the mind of Kim Yong-sam more accurately than anyone else and who practices what he believes by deed without a word.

Assemblyman Kim Tok-yong, who belongs to the generation of those who opposed the 3 June ROK-Japan normalization, comes from the Honam area, a unique existence in the Sangdo-tong [Kim Yong-sam] camp which has its power base in the Yongnam area. But he is a key brain working for Kim Yong-sam, with 18 years of service as secretary behind him.

The relationship of this trio is interwoven with checks and balances. This is to say that there is an undercurrent of rivalry alongside of mutual cooperation. There was friction over the post of chairman of the Democratic Alpine Club [DAC] between Assemblymen Choe Hyong-u and So Sok-chae. With regard to the choice of personnel for the party secretariat, insiders of the RDP faction complains that people with the Kim Tok-yong connection, including those from the Honam area, were given excessive preferential treatment.

In addition, there are some personages DLP President Kim Yong-sam cannot treat lightly. They include Assemblymen Kim Un-hang and Song Tu-ho. These two spared no financial assistant when need arose. When the three-party merger took place, former Assemblyman Kim Hyon-kyu switched to the DP, refusing to join the DLP. But with the recent presidential election as a momentum, he returned to the Kim Yong-sam fold. His is a case of the "prodigal son returning home."

Loyalist Group

The "loyalist group" in Kim Yong-sam's secretarial staff are the people who have been added in ones and twos at a time since he engaged in the struggle for democracy, and who have taken care of him on all matters.

The oldest secretary is Kim Tae-hwan, who became Kim Yong-sam's secretary when the latter secured a legislative seat in the fourth National Assembly for the first time. His age is over 60, but he is still active as a secretary. Secretary General Hong In-kil, a native of Koje Island as is Kim Yong-sam, has been his follower since 1979, and he enjoys the party president's particular trust. He is a not too distant relative of Kim Yong-sam.

Kim Ki-sop, assistant for protocol affairs, was originally an executive director of Silla Hotel, and Kim Mu-song, assistant for policy affairs, was originally the director of the RDP protocol bureau. Kim Ki-su, assistant for travel attendance, former president of the Hanyang University Student Body, has followed Kim Yong-sam like his shadow since the latter was released from house arrest in 1982. Chang Hak-no, assistant for civil grievance, began to spend most of his time in Kim Yong-sam's Sangdo-tong home since he was a student of Chungang University. Pak Chong-ung, a bureau director in the office of the party president, who is Kim Yong-sam's Kyongnam High School junior, prepares public relations materials and writes speeches for the party president. Pak Yong-hwan, another bureau director assigned to the office of the spokesman, has functioned like a member of the secretariat.

Other members of the secretariat are: Pyo Yang-ho in charge of public relations; Yi Song-hon in charge of press analysis; Kang Sang-il in charge of general affairs; Chong Pyong-kuk and Yi Yong-u in charge of itinerary; Ho Yong-sang in charge of protocol and translation; Yi Sang-pong and Kim Sun-che in charge of daily chores of the Sangdo-tong home.

Deputy spokesman Yi Won-chong, although no longer in the secretariat, is a key person among the "loyalist group." He joined the secretariat in the latter part of the 1970's for the first time at the recommendation of Advisor Kim Myong-yun, the husband of his mother's sister. Since then he has established himself as a key staff member while working as press secretary.

The RDP had 52 National Assembly seats before the three-party merger took place, but the RDP faction in the DLP currently has only 23 National Assembly seats, a drastic drop. Apparently, it will be very difficult for DLP President Kim to manage the ruling party by relying only on the RDP faction, a minority force, because his victory was made possible not on the strength of the Sangdo-tong group alone. The original election strategy supposedly based on ruling camp-wide unity went awry due to President No's withdrawal from the party, the formation of a neutral cabinet, and the chain withdrawal of members of the nonmainstream faction, including Supreme Council member Pak Tae-chun. That is why DLP President Kim Yong-sam may value the devoted efforts of the RDP faction and the role of the DAC and other private organizations more highly; and accordingly, he may be feeling the importance of his loyalist group all the more.

Counted among personages from the Honam area with Kim Yong-sam ties are: Former Assemblyman Pak Chong-yul and incumbent Assemblyman Kim Yong-tok (native of Iri, North Cholla Province) of the RDP faction; the party president's Secretaries Nam Chu-hong (native of Sunchon, North Cholla Province), who is in charge of security affairs, Yi Yong-u, and Ho Song-sang; Party Secretary Kim Chae-sok, director of the general affairs bureau; Ko Myong-sung, former commanding officer of the Security Command and current chairman of the DLP Puan district chapter in North Cholla Province; Yi Hang-ui, national assemblyman from the national constituency; Kim Sik, former agriculture and fisheries minister; and Yi Tae-sun, former DJP floor leader.

Powerhouses in DAC

Among the private organizations that played a no less important role than official party organizations, there were the DAC and the Campaign Headquarters for the Practice of Patriotism (Nasabon). As a matter of form, Nasabon is an amalgamation of all private organizations, and the DAC is supposed to be under Nasabon. But in practice, the DAC is at the center of all private organizations. It is just like the Army Headquarters, which is the powerhouse in the military, although it belongs to the headquarters of the Joint Chiefs of Staff.

The DAC, with people affiliated with the RDP faction at its center, is a huge organization. It has a central headquarters, 20 municipal and provincial councils, and 310 local chapters. The DAC performed the task of reenlisting those opposition-oriented personages who have broken away from the ruling camp since the three-party merger and bringing them and leading local figures and other ruling camp-friendly personages together.

The DAC was organized in the early part of the 1980's when Kim Yong-sam was shackled in political restraints. It played a vanguard role in the struggle for democracy in the reign of the Fifth Republic. Following the three-party merger in 1990, however, it was half buried behind the shadows of Wolgyesuhoe led by Assemblyman Pak Chol-on. Since Kim Yong-sam was chosen as DLP presidential candidate in an open competition in May 1992, the DAC has grown into a powerful organization as we see it today, through a process of large-scale structural reorganization. Former Assemblyman Kim Myong-yun relinquished his post as its chairman, and Assemblyman Choe Hyong-u, Kim Yong-sam's right-hand man, succeed him as chairman in June 1992. As a result of the membership expansion campaign, its officials claim that the total DAC membership now exceeds 1 million.

In the DAC directorate, Kim Yong-sam is its permanent advisor, and former Assemblyman Kim Myong-yun has retreated to the post of honorary chairman. Assemblyman Hwang Myong-su is its senior vice chairman, and Assemblyman Kim Tok-yong is its permanent vice chairman. There are 13 vice chairmen including Assemblymen Kang In-sop and So Sok-chae; ex-Assemblymen Kim Tong-kyu, Kim Tong-chu, Pak Chong-yul, Sin Yong-sun, Cho Hong-nae, Hwang Pyong-tae, and Cho Chong-ik; movie actor Sin Yong-kyun, former chairman of the Art Federation; Pyon Kwang-sun, chairperson of the Women's Buddhist Association affiliated with the Chogye Order; and Yi U-tae, former partisan fighter and author of the popular noble "Southern Army." In addition, Assemblyman So Tu-ho and Sim Ui-sok, former DLP Songdong-B district chairman, are the auditors; and former Assemblyman Pak Tae-kwon is the director-general of the DAC Headquarters.

The chairmen of DAC municipal and provincial councils include: So Chong-won (Kangnam, Seoul); No Sung-u (Kangbuk, Seoul); Assemblyman Ho Chae-hong (Pusan); former Assemblyman Yu Song-hwan (Taegu); City Councilman Yu Pok-su (Inchon); former Governor Mun Chang-su (Kwangju); former Mayor Yi Pong-hak (Taejon); Cho Chong-ik (eastern Kyonggi); former Assemblyman Choe Ki-son (eastern Kyonggi); Assemblyman Yu Sung-kyu (Kangwon Province); former Governor Chu Pyong-tok (South Cholla Province); Pan Hyong-sik (North Kyongsang Province); former Assemblyman O Kyong-ui (northern part of North Kyongsang Province); Assemblyman Kang Sam-chae (central part of South Kyongsang Province); Cho Hong-nae (western part of South Kyongsang Province); former Assemblyman Kim Tong-chu (eastern part of South Kyongsang Province);

and Kang Pong-chan, former chairman of the Soguipo-Southern Cheju chapter chairman (Cheju).

Most of the DAC local chapters are influential personages or persons with RDP ties who had to relinquish their posts as RDP local chapter chairmen in the wake of the three-party merger.

Kim Yong-sang Pins Much Hope on DAC

In the DAC central headquarters, the following six executive officers have been working under Director-General Pak Tae-kwon. They are: Yi Chol-hung, chief of planning and coordination, who was the chief secretary to former National Assembly Vice Speaker Kim Chae-kwang); No Pyong-ku, director of the Training Center (former RDP district chapter chairman); Paek Yong-ki, first deputy director (ditto); Pak Chong-tae, second deputy director (ditto); O Sa-sun, third deputy director (former director of the RDP women's bureau); Yi Kye-pong, general commander of the hiking groups (former RDP central standing committee member).

The RDP faction frowns on anyone comparing the DAC to Wolgyesuhoe. In other words, any simple comparison between the DAC (which has over 10 years of history and tradition) and Wolgyesuhoe (which was suddenly organized in July 1987 for election purposes) is intolerable to the RDP faction.

However, the DAC has one similarity to Wolgyesuhoe in that the DAC, like Wolgyesuhoe, was organized because there was a strong dissatisfaction with the official party organization. As a matter of fact, during the presidential race, the complaint was often heard in DLP circles that local chapter chairmen affiliated with the DJP and NDRP factions were not energetic in campaigning. In the 1987 presidential election, Candidate No Tae-u could not trust the DJP. In the same token, one can hardly say that Candidate Kim Yong-sam was wholly dependent on the DLP for victory in the recent presidential election, although there may be some difference in the magnitude of distrust between the two cases.

Wolgyesuhoe's catchphrase was that "we do not like the DJP but we will muster people who like No Tae-u." Similarly, the basic goal of the DAC was: "we do not like the DLP but we will muster people who like Kim Yong-sam." In the 1987 election Candidate No Tae-u was elected with only 36.6 percent of the total votes cast. He depended so much on private organizations that critics said, "but for the Wolgyesuhoe's organization and the help of the displaced persons from the North, he would have hardly polled even this low percentage of votes and been elected."

Many Dissident Groups Among Supporters

DLP President Kim Yong-sam himself acknowledges the importance of the DAC role. At the press conference on 11 December when the presidential election campaign reached its peak, he said, "the DAC is an organization created in the dark days when there was no democracy," adding, "this organization has a very strong root and its members are courageous people." "DAC members," he said, "are not rich, but they are giving their lives to the struggle for democracy." He added, "we have admitted all of them to our party so that there may be no trouble in conducting the election campaign."

Nevertheless Pak Chong-tae, director-general of the DAC national headquarters said, "Unlike Wolgyesuhoe, which was organized on the strength of money, in the DAC its members participate in DAC activities in the spirit of self-sacrifice, and they expect no reward." "Now that the election is over," he stressed, "we should keep our hands off politics completely and change ours into a service organization dedicated to social movements, such as campaigns for blood donation, clean environment, nature protection, assistant to farm and fishing communities, and garbage collection." However, Pak Chong-tae did not deny that some DAC members are interested in local governments.

In controlling private organizations, Son Myong-sun, the wife of DLP President Kim Yong-sam, and hid second son, Hyon-chol, are said to have played a significant role along with DAC Chairman Kim Hyong-u. Mrs. Kim in particular reportedly controlled in person the "Mugunghwahoe," a powerful women's organization with five separate headquarters for women's groups such as: a hobby group; a professional group including pharmacists and doctors; a working women's group; and a group of lay women in different religious denominations.

Among those who acted as advisors to DLP President Kim from the outside are: former National Assembly Speakers Min Kwan-sik and Ko hung-mun; Red Cross President Kang Yong-hun; Choe Ho-chung, former minister of national unification and vice prime minister. Particularly Former Vice Prime Minister Choe was in the same class in Seoul University with Kim Yong-sam, and the two have long been close friends.

In the Christian community, Kim Yong-sam has long cultivated intimacy with influential clergymen in the Full Gospel Church group. Among them are: Rev. Kim Chang-in, senior clergyman of the Chunghyon Church, to which Mr. Kim belongs; Rev. Han Kyong-chik (the Yongnak Church); Rev. Cho Yong-ki (the Full-Gospel Church); Rev. Pak Cho-chun (the Kalbori Church); Rev. Kwak Son-hui (the Soman Church); Rev. Kim Son-to (the Kwangnim Church); Rev. Kim Hong-to (the Kumnan Church); Kim Yun-sik (the Chungang Church); Rev. Kim Chang-hwan; Rev. Kang Won-yong, director of the Christian Academy. In the Buddhist community, So Ui-hyon, executive chief of the Korean Buddhist Chogye Order; and Cho Ki-hyon, chairman of the Chogye Order Laymen's Association, reportedly supported in the election.

Constitution Court Judge Kim Chong-u and Lawyer Kim Yun-to are among those members of the Kim clan from whom Kim Yong-sam seeks advice and suggestions on an ordinarily basis.

Among women Lawyer Hwan San-song is Kim Yong-sam's typical supporter. There are four other prominent ladies who support him. They are: Kim Chong-ye, his permanent advisor, who served as vice chairwoman of the Election Policy Committee; Kim Yong-chong, former second minister of state; Kim Yun-tok, former director of the Women's Human Resources Development Institute; Kang Son-yong, chairwoman of the Federation of Art Organizations. In addition, Yi Yun-cha, chairman of the Central Council of the National Women's Study Groups, is also close to the DLP president.

Among dissidents, the following persons are favorably disposed toward or supportive of Kim Yong-sam: Rev. In Myong-chin of the Council of Urban Industrial Evangelism; Chong Song-un, cochairman of the "Campaign Headquarters for the Preservation of the Korean Language"; Chon Kyu-sok, cochairman of the Folk Art Federation; Kim Chong-nam, director of the Korean Learned Society Research Institute; and Yu Kwan-on, chairman of the Operation Committee of the Citizens Union for the Creation of a New Korea (Sinhanyon). Kim Chong-nam founded Sinhanyon on 7 November last year to assist DLP President Kim. More than 180 personages from all walks of life attended the Sinhanyon inaugural ceremony.

Second Son Hyon-chol's Position Secure

Very Few of Kim Yong-sam's relatives are currently involved in politics. His distant uncle Kim Pong-cho, chairman of the National Assembly Committee on Budget and Accounts, and Hong In-kil, assistant to the DLP floor leader, are about all. Son Chu-hwan, former minister of information is Mrs. Kim's cousin, but his entry to politics had nothing to do with Kim Yong-sam.

Kim Yong-sam has two sons and three daughters. Four of them—the first son and all the daughters—live in the United States. In the past when Mr. Kim was in the opposition, it would have been very difficult for his children to find suitable suitors, not to mention suitable jobs. That is why Mr. Kim had to send them to the United States, according to a family source.

If there is any possibility that any of Mr. Kim's children will take up politics as a career in his foot steps, it will be nobody else but his second son Hyon-chol (33). After graduating from Kyongbok High School and the History Department of Koryo University, Kim Hyon-chol obtained a master's degree in business administration at the University of Southern California in the United States. After returning home, he worked in Ssangyong Investment and Securities Co. But since the 1987 presidential election, he has been helping his father. He is the only immediate family member involved in politics.

People in the RDP faction do not deny Kim Hyon-chol's power of influence. According to them, he is doing what he is supposed to do. His position is so secure that when his father reorganized his secretariat in June last year, rumors circulated that his son, Hyon-chol, exercised his influence on the selection of secretaries. Hyon-chol's wife, Kim Chong-hyon (31), is a graduate of the costume designing department of Songsim Women's University.

Her father, Kim Ung-se, is the president of Lotte World.

On returning land to the original owners after unification, it said ownerless real estate in South and North Korea should be put into state ownership to fill the unification coffers.

No Tae-u Greets Inter-Korean Talks Delegates

SK2801045193 Seoul YONHAP in English 0309 GMT 28 Jan 93

[Text] Seoul, Jan. 28 (YONHAP)—President No Tae-u greeted 15 past and present delegates to the inter-Korean high-level talks at Chongwadae [presidential offices] on Thursday to show his appreciation for their efforts to improve inter-Korean relations.

No, expressing regret over the stalled talks about separated families and economic cooperation, forecast that one day the inter-Korean nuclear issue would be solved because of the international political situation and North Korea's economic problems.

No said that the South should urge the North to carry out the inter-Korean agreements faithfully through dialogue, and continue its efforts to introduce changes to North Korea. Seoul had to not only work out watertight follow-up measures and put the inter-Korean basic agreement into practice without a hitch, but make all preparations for unification, he said. The South should keep trying its best to embrace North Korea into the national commonwealth, he said.

"I'm sure that we can realize unification before the turn of this century if both sides can accelerate exchanges and cooperation in various fields such as economy, society, culture and sports," he said. No leaves office on Feb. 25.

No Tae-u Regrets Daughter's Concealing $200,000

SK2801035993 Seoul YONHAP in English 0322 GMT 28 Jan 93

[Text] Seoul, Jan. 28 (YONHAP)—President No Tae-u on Thursday expressed regret over a reported incident in the United States in which his daughter and son-in-law had broken the law by concealing nearly 200,000 dollars in bank deposits from the Treasury Department.

"It is highly regrettable that members of the president's family had been involved in the incident," said Kim Hak-chun, presidential spokesman.

Kim said he understood that the incident occurred in 1988 when No's daughter, Chae So-Yong and her husband, Chae Tae-won, were studying in the United States.

"President No expressed profound regret and ordered officials to find out details of the incident," Kim said.

The couple reportedly entered guilty pleas in U.S. District Court in San Jose, California, on charges of concealing money from U.S. authorities.

Under a plea agreement reached with the authorities, the defendants agreed to forfeiture of 192,576 dollars and to pay a fine of 30,000 dollars each.

* Characteristics of Possible Kim Yong-sam Appointees Examined

93AS0108A Seoul WOLGAN CHOSON in Korean Jan 93 pp 195-206

[Article by reporter Sim Yang-sop: "Who Are the Ones Likely To Be Appointed to Key Posts?; Those With Pusan-Kyongnam Ties Expected To Be at the Center of the Mainstream"]

[Text] **Personnel Choices Acceptable to Public**

Many able personalities surround President-elect Kim Yong-sam. His personal ties, having been forged through his political life extending over 40 years, are extensive and include various strata. Originally, he was an orthodox opposition politician inheriting the traditional faction of the former Democratic Party. But he joined the ruling party when the three-party merger took place. For this reason, his personal ties are mixed with personages both from the ruling and opposition parties. Needless to say, it is a fact that since he became the representative of the ruling party, many power seekers have gathered around him.

However, the plethora of able personalities does not necessarily assure that the future personnel actions of the president-elect will proceed smoothly. Inasmuch as his personal ties are complex, there are many factors that need to be taken into consideration; and it is not easy to set a simple criterion for personnel selection. DLP [Democratic Liberal Party] President Kim cannot neglect any of those factors.

For instance, they say that there are few experts in the management of state affairs among pure-blood members of the RDP [Reunification Democratic Party] faction. But he cannot leave those people who have had gone through ordeals for over 40 years "out in the cold" simply because they have no experience in statecraft. On the other hand, the DJP [Democratic Justice Party] faction is divided into many sub-factions, including personages of the Fifth and Sixth Republics; the pro-Kim Yong-sam group who stood on his side early on; and the nonmainstream group. Therefore, we wonder how he will try to achieve harmony among all these different groups.

Naturally, those who rendered distinguished services in the election would be given key posts, but this should not be Kim Yong-sam's sole consideration. Moreover, when he hires outside people, he is expected to try hard to see that there will be no friction between these new appointees and existing DLP personalities.

The composition of his transition team which will be selected in the near future will give an inkling of what kinds of personalities he will appoint in the future. But there is a strong body of public opinion that as the first civilian

Brunei, Malaysia & Singapore

Malaysia

Reportage on Visit by Philippine President Ramos

Mahathir, Ramos Discuss Bilateral Issues

BK2801114293 Kuala Lumpur Voice of Malaysia in English 0800 GMT 28 Jan 93

[Summary from poor reception] Malaysia and the Philippines have agreed on the setting up of a joint commission with a view to enhancing bilateral cooperation. Foreign Minister Datuk Abdullah Ahmad Badawi said the joint commission would be set up soon along the lines of an agreement Malaysia has set up with Thailand and Indonesia. He said this in a press briefing following talks between Prime Minister Datuk Sri Dr. Mahathir and visiting Philippine President Fidel Ramos at the Prime Minister's Department in Kuala Lumpur. Datuk Abdullah said the joint commission would discuss details of matters raised during the high-level talks. This includes the possibility of setting up consulates in the southern Philippines and in Sabah and Sarawak.

Both countries also agreed in principle to have a border-crossing agreement and joint sea patrol along their common border. The minister said Datuk Sri Dr. Mahathir and President Ramos also discussed the Sabah question, particularly ways of resolving it. He said the discussions between the two leaders centered on efforts to have more meaningful cooperation to promote trade, investment, and greater people-to-people contacts. He said Malaysia welcomes the Philippine Government's decision to allow Malaysia Airlines to have five weekly flights to Cebu using Boeing 737-400 aircraft.

Agree To Form Joint Economic Body

HK2801142593 Quezon City ABC-DWET Television in Tagalog 1000 GMT 28 Jan 93

[From the "ABC-DWET News Program"]

[Text] The Philippines and Malaysia have agreed to form a joint commission to discuss relevant issues faced by the two countries. This was the result of an hour-long closed door meeting between President Fidel V. Ramos and Malaysian Prime Minister Mahathir bin Mohamed held this morning.

In an open forum with the National Chamber of Commerce and Industry, Ramos explained economic talks will be prioritized by the joint commission.

[Begin Ramos recording in English] The result of this desire of both sides to have closer bilateral relations as neighbors or even as blood brothers has resulted in an agreement with His Excellency Prime Minister Mahathir to create a joint commission, a joint Philippine-Malaysian Commission, which will focus on economic growth and economic synergism but at the same time will handle, at the level of senior officials, all other aspects of our bilateral relationship. [end recording]

Foreign Affairs Under Secretary Rodolfo Severino said the Sabah issue might also be discussed by the commission. Severino added the Department of Foreign Affairs will establish an office in Sabah to take care of over 300,000 Filipinos living there. The problems of Filipinos in Sabah was reiterated by Ramos in a statement he made during the bilateral consultations held earlier. Ramos urged Malaysia to grant the Filipinos in Sabah regular residence and employment status.

Joint Ventures Signed

BK2801153893 Kuala Lumpur Radio Malaysia Network in Malay 1500 GMT 28 Jan 93

[Text] Philippine President Fidel Ramos today witnessed the signing of four joint venture agreements between companies from the Hong Leong Group with businessmen from the Philippines. The joint ventures involve an early investment of 83 million ringgit. Earlier, President Ramos held a closed-door meeting with leaders of industrial corporations.

The president, who flew into Kuala Lumpur yesterday, is on a four-day official visit to Malaysia.

Mahathir, Ramos Discuss Sabah, Economics

BK2801173093 Hong Kong AFP in English 0844 GMT 28 Jan 93

[Text] Kuala Lumpur, Jan 28 (AFP)—Malaysia and the Philippines announced here Thursday they would bolster economic cooperation while reopening talks to resolve a 30-year-old territorial dispute.

Malaysian Foreign Minister Abdullah Badawi said that visiting Philippine President Fidel Ramos and Prime Minister Mahathir Mohamad agreed to set up a joint commission to promote bilateral trade, investment and tourism.

The joint commission will also look into problems faced by tens of thousands of Filipino immigrants and workers in Sabah and possible conclusion of a border agreement, Ramos spokesman Rodolfo Reyes told reporters.

Malaysia has refused to sign the border agreement negotiated in 1987 to regulate crossing and provide for joint naval patrols in the seas between Sabah and the southern Philippines until Manila drops its claim to the oil- and timber-rich east Malaysian state.

Abdullah said that "some understanding" was reached on the Sabah issue between Ramos and Mahathir who met privately for more than an hour before they were joined by aides, but declined to go into details.

"The fact that both sides discussed the Sabah issue means that it remains an important issue... There must be some understanding between the two leaders," he said in response to a question whether progress was made in resolving the dipute.

Ramos, who arrived here Wednesday, is the first Philippine president to visit Malaysia since Ferdinand Marcos came to Kuala Lumpur in 1977 to attend the second summit of the Association of Southeast Asian Nations (ASEAN).

Marcos promised to take steps to drop the claim during his visit but made no progress. A similar move by his successor Corazon Aquino was blocked by the Philippine senate.

Manila laid claim to Sabah in the early 1960s on the grounds that the territory was once ruled by the Sultan of Sulu in the southern Philippines before being ceded to European businessmen in the 19th century. Sabah joined the Malaysia Federation in 1963.

"The visit by President Ramos has paved the way for a new era in cooperation between the two countries," Abdullah said after joining the expanded talks between the two leaders.

Besides the dispute over Sabah, bilateral ties were also soured by allegations that Malaysia was secretly aiding Moslem separatists in the southern Philippines and frequent quarrels over fishing rights in the seas off Sabah.

Ramos told Mahathir at Thursday's talks here that he was keen to explore "new approaches" to remove outstanding problems.

"For much of our recent history it would seem that we have been trapped in a vicious cycle that has prevented us from realising the full potential of our relationship," he said, according to a text released by Filipino officials.

Rodolfo Severino, Philipine under-secretary for foreign affairs and Manila's former ambassador to Malaysia, said the new approaches included the understanding to pursue economic cooperation while seeking ways to resolve the Sabah issue.

Severino said that the two countries also agreed to consider the opening of "an extension office" of the Philippines Kuala Lumpur embassy in Sabah and a similar Malaysian office in the southern Philippines.

Asked if this meant Manila's de facto recognition of Malaysian sovereignty over Sabah, Severino said that there were several interpretations of the move.

"But because there was no unanimity of views we decided to call it an extension office," he said.

Diplomats said that Kuala Lumpur had turned down several requests by Manila in recent years to open a consulate in Sabah to service Filipino migrants there.

A Malaysian Government task force last year registered some 150,000 Filipinos in Sabah but other estimates put the number of Filipino immigrants in the state at between 250,000 to 500,000.

UN Envoy Calls for Justice in Palestinian Issue

BK2901060993 Kuala Lumpur BERNAMA in English 0339 GMT 29 Jan 93

[Text] Kuala Lumpur, Jan 29 (OANA-BERNAMA)—Malaysia feels it is time the United Nations Security Council treats issues affecting the interest and welfare of the Palestinians with a sense of justice and commitment.

Malaysia's Permanent Representative to the United Nations Razali Ismail said even though Malaysia welcomed the ongoing peace talks on the Middle East, it was concerned over the lack of progress of the negotiations and the deteriorating situation affecting the safety of the Palestinians in the occupied territories.

As such, he believed that the committe on the exercise of the inalienable rights of the Palestinian people should carry out its work in parallel with the Security Council.

Razali was speaking at the committee's meeting in New York on Tuesday. The text of his speech was released here Thursday.

On the deportation of more than 400 Palestinian civilians on 17 December last year, he said the action taken by Israel seriously contravened the Geneva Convention and the relevant Security Council resolutions on the issue.

He regretted that the new Israel Government which was said to be committed to the cause of peace had chosen to defy the resolutions of the Security Council.

"Malaysia has always maintained that Israel cannot be engaged in the peace talks and at the same time be allowed to brutalise the Palestinian people in the occupied territories and defy Security Council resolutions including the illegal deportations of Palestinians which constitute a gross violation of the Geneva Convention."

He said Malaysia had long been complaining about the double standards in the way the Security Council dealt with the question of the Palestinian issue.

"For far too long, the council has allowed Israel to get away with its repeated defiance of the international law and the Security Council resolutions because of the protection given to Israel by a member of the council with a veto power."

As such, he said, Malaysia supported the observations and recommendation made by UN Secretary General Butrus Butrus-Ghali who made a call to the Security Council to take what ever measures required to ensure that its unanimous decision as set out in resolution 799 (1992) is respected by Israel.

He urged the committee and all member states of the United Nations to support the appeal made by the Palestinian delegation for justice and upholding of international law to ensure that the Palestinian deportees are returned to their homes.

Japan's Reticence To Back EAEC Questioned

BK2101055593 Kuala Lumpur NEW STRAITS TIMES in English 16 Jan 93 p 10

[Editorial: "Japan Should Look Southwest"]

[Text] Because of the spectre of World War II, Japan is a country which often elicits divisive opinions. The older generation has of course greater reason to distrust the Japanese; but for the so-called "baby boomers" who grew up in peacetime, Japan can quite easily be forgiven although the older ones and history will try not to let them forget.

In the past decade, however, Japan's relations with Malaysia have been seen in high profile: its investors keenly sought, its people whether entrepreneurs or tourists, welcomed, command of its language sought as it was deemed an advantage; its technology to be admired and to be emulated, its workers' work ethics to be inculcated. Beginning with Prime Minister Datuk Seri Dr Mahathir bin Mohamed's Look East policy, and the privatisation policy now in its 10th year, Malaysia-Japan relations have never been closer.

Despite Japan's troubling cold now ailing its economy, despite talk that Japan's workers do not now appear to be as work-obsessed as has been touted to be, despite the fact that the transfer of Japanese technology to Malaysians has not been as satisfactory nor as extensive as Malaysians had hoped, and despite reports that Japanese education produces rote learners and not creative technologists, Malaysians by and large still respect the Japanese for their economic industry, their technology, their management systems and even their education.

Of significance is not so much that Japanese investment in Malaysia has been substantial, or that since 1982 thousands of Malaysians have undergone various training programmes in Japan and cultural exchange visits, but that the perception of Japan and Japanese among Malaysians is generally favourable. Resistance to what has been termed as "Nipponisation" has been whittled away to a large degree, and that is an achievement within 10 short years.

Because of the great strides made in Malaysia-Japan co-operation, Japan's procrastination over the issue of whether it supports the EAEC [East Asian Economic Caucus] has naturally elicited some degree of regret. Reports keep surfacing about Japan's support for the EAEC, and then it is shown otherwise in a subsequent report. Then come reports that Japan has rejected the EAEC and it is subsequently denied. It has been a seesaw of "Yes" and "No" as it pays heed to the US, its largest trading partner and dallies with members of Asean, which have the world's highest economic growth rates.

Japan's position is that it does not want to encourage trade protectionism, and fears that the EAEC might lead to another trade bloc. However, the EAEC is a consultative mechanism for countries in the East Asian region to express their views on trade and investment issues, with development and free trade as the ultimate goal.

The voices of the smaller developing countries like those in Asean need a bigger voice, like Japan's, by reason of its economic standing and representation in formal international platforms, in order to be heard. Japan's reticence to become Asia's policeman in the wake of US security stepdown in the region is understandable (even now, some countries still keep a watch for signs of a renewed Japanese imperialism), but lending its ears to its regional neighbours should surely be acceptable to the US. Perhaps, there is much to be gained if Asean countries and Japan start looking closer towards home for mutual support and benefits.

Cabinet Approves New National Agriculture Policy

BK2801120693 Kuala Lumpur Voice of Malaysia in English 0800 GMT 28 Jan 93

[Text] The Cabinet has approved the national agriculture policy, which will form the bases of the agricultural sector up to the year 2010. Agriculture Minister Datuk Sri Sanusi Junid said the policy to be launched by the prime minister, Datuk Sri Dr. Mahathir, in Kuala Lumpur on Monday will replace the one enforced from 1984 to 1991. The new policy stresses more on the people rather than on agricultural revenues. The government feels that it has a greater responsibility on the people, particularly farmers and fishermen.

Datuk Sri Sanusi told newsmen that there will be greater crop diversification, lower price and other [word indistinct] to farmers and fishermen. Attention will also be paid to agro-tourism to enable the farming community to benefit from the expanding tourist trade.

Editorial Urges Solution to Power Failures

BK2301101893 Kuala Lumpur NEW STRAITS TIMES in English 21 Jan 93 p 12

[Editorial: "The powerful and the powerless"]

[Text] Something must be wrong when things keep going on the blink. The International Trade and Industry Ministry under Datin Paduka Rafidah Aziz has been receiving an "intolerable" number of complaints on the frequency of power breakdowns and has told Tenaga Nasional Berhad (TNB) [National Electricity Agency] to provide specific and "implementable" preventive programmes. These breakdowns, says its minister, occur almost daily in some areas. In November last year, 30,700 minor and serious power breakdowns lasting between nine minutes and eight hours were reported in Peninsular Malaysia. The August figures averaged 28,000. Rafidah is understandably upset. If TNB continues to demonstrate that it cannot cope with increasing demands for power, it will be hard to sell Malaysia to foreign investors.

Power disruptions are both disruptive and eruptive. TNB has to recharge itself before it threatens to put the cap on investment. Cable faults, overloading, and shutdowns for maintenance works have been attributed for the disruptions. The blackout in the commercial hub of Chow Kit and Kampung Baru last year was caused by a rat which had somehow found its way into a substation, hit the switchgear and caused a short circuit before dying. It even cost TNB about 10,000 ringgit to repair the damage, it said in a statement.

Did it consider the damage it did to others? The infamous September blackout reportedly cost TNB six million ringgit in lost electricity sales a day. By comparison, as an indication of the magnitude of the losses suffered by several sectors of industry, the Kuala Lumpur Commodity Exchange alone reported losses amounting to 17.2 million ringgit when it had to suspend operations for one day.

The chain reaction triggered by power failures will include production cutbacks, a lowering of productivity, losses in potential revenue, laying off of workers, and the loss of investor confidence. There is also an accompanying cut-off in water supply. In short, the nation's daily and economic activities depend on it because it has become a very basic infrastructural facility.

Accidents do happen, and blackouts do occur even in the most industrialised countries, but TNB cannot remain insensitised to the demands of industry and the needs of the consumer who expect reliable electricity services at the very least. It has said it expects its operations to improve by March.

Yet, can it cope with Malaysia's electricity requirements which is expected to increase by five times the current level by 2020? The energy, telecommunications, and posts minister has lamented the difficulty of securing the estimated 100 billion ringgit to produce the 30,000 megawatts of electricity that it will need by then. It is time the government speed up its plans to allow the private sector to build and operate power stations and maybe even to sell electricity if TNB cannot deliver its services as efficiently as it should.

Privatisation is not just a heady exercise in donning the corporate cloak. Alongside it comes all the expectations of improved efficiency and customer satisfaction. Its shortcomings have once again raised questions on the monopolistic positions of some privatised entities. While monopolies and captive consumers ensure healthy balance sheets, it still has the corporate responsibility of improving and upgrading itself. It has some 3.34 million customers, so their satisfaction has to be a corporate culture. A monopoly share of the market is more so a responsibility rather than a privilege.

Kampuchea Airlines Makes Inaugural Flight

BK1801104393 Kuala Lumpur NEW STRAITS TIMES in English 16 Jan 93 p 8

[Text] Kuala Lumpur, Friday—Cambodia's national airline, Kampuchea Airlines, which started regular flights out of Indochina recently, picked Kuala Lumpur as its first international destination. A 53-member Cambodian delegation led by Deputy Prime Minister Prince Norodom Chakkrapong arrived here for the inaugural flight yesterday with five Cabinet ministers and deputy ministers on board. They were met on arrival by MAS [Malaysian Airlines System] Chairman Tan Sri Zain Azrai Zainal Abidin.

Prince Norodom said he was delighted that his country's national airline was plying the international routes at a time when the many business conglomerates were keen to secure business opportunities in Cambodia. Kampuchea Airlines will fly weekly to Kuala Lumpur on Mondays and three times weekly to Singapore.

Singapore

Premier: Nation's Interests 'Firmly' in SE Asia

BK2801113093 Singapore THE STRAITS TIMES in English 25 Jan 93 p 25

[Text] Singapore is first and foremost a Southeast Asian country with interests planted firmly in the region, said Prime Minister Goh Chok Tong.

In an interview, he said: "We are very clear in our minds that geographically, politically, and socially we belong to Southeast Asia and we have to be Southeast Asian first.

"If Singaporeans don't understand that, and they think that because we are Chinese we can identify with the People's Republic of China when Southeast Asian interests are threatened, that will spell trouble for us."

He was answering a question from Mr. Peter Seidlitz, the Hong Kong-based correspondent of the German business newspaper, HANDELSBLATT, in an interview last Monday at the Istana [Palace].

Mr. Seidlitz had asked if Singapore was more tolerant of and lenient towards the actions of the Chinese Government because it was Chinese itself.

He suggested that many Singaporeans had nostalgic feelings about China, which he said explained the high levels of investment in China from the region.

Responding, Mr. Goh said that while older Singaporeans might have nostalgic feelings about their villages and way of life in China, this was not the case with the younger generation.

On China's future, he said that he believed it would remain stable whoever succeeded Chinese leader Deng Xiaoping.

"We don't see Chinese leaders manoeuvring in such a way that will bring disorder in China. They are very fearful of disorder or 'luan' in Chinese," he said.

Turning to the current controversy over Hong Kong Governor Chris Patten's proposal for more democracy in the colony, Mr. Seidlitz asked if Senior Minister Lee Kuan Yew's recent speeches reflected the Singapore Government's thinking on the issue.

Last month, Mr. Lee said that the Americans and British wanted to bring about a democratic and pluralistic China and were using the political reforms in Hong Kong as a lever to force China to democratise.

Mr. Goh replied: "He would normally circulate his important speeches to cabinet members. Whilst they contained mainly his insights, ministers gave their comments freely. Thus, the ministers shared the views he expressed."

Asked if he believed there was a Western conspiracy to destabilise China, Mr. Goh said what was more important was whether China believed this to be the case.

"If the Chinese believe that there is a Western conspiracy ... China is going to create problems over the political reforms of Chris Patten.

"So whether it is true or not becomes irrelevant. It's whether the Chinese believe it to be true."

Editorial Calls for UN Intervention in Bosnia

BK2801142193 Singapore THE STRAITS TIMES in English 28 Jan 93 p 16

[Editorial: "Bosnia Needs UN Action"]

[Text] Muslims have been the unluckiest of the warring parties in the Bosnia fighting, now in its 10th nightmarish month. For almost a year, the United Nations and the European Community have stood by while the tragedy darkened. Most accounts say 18,000 people have perished, a million and a half displaced, over 70,000 languish in detention-cum-torture camps, mostly Serb-run, and at least 20,000 Muslim women and young girls have fallen to organised rape by Serbs—an abomination. Civilians have also been forced out of their homes under the heinous policy of ethnic cleansing, while many struggle against starvation in freezing conditions. When will this nightmare end? Among Western countries, America has been the most perturbed about Bosnia's situation. The Clinton administration seems more anxious than its predecessor to do something about the embarrassing inaction. It is high time the United Nations showed decisiveness. Foot-dragging has brought great suffering to Bosnia and complicated the task of resolving the conflict. The UN's inaction stands in unflattering contrast with its response in some other conflicts, even less important ones.

But divisions exist within the Security Council and the European Community. Only assertive American leadership can help narrow these. US Defence Secretary Les Aspin has advocated military intervention to tackle difficult regional conflicts. America also favours lifting the UN's arms embargo on the former Yugoslav republics, which Bosnian Muslims have been pleading for. If the Security Council fails to act, the Organisation of Islamic Conference's ultimatum last December would give its member-states the green light to help Bosnian Muslims. Now that Serbs and Croats are again at each other's throat, Croatia could become a conduit for not only the transit of arms but also perhaps Islamic militants anxious to battle alongside Bosnian Muslims. More pertinent than UN approval to enforce the no-fly zone over Bosnia, meekly declared last October, is the opening up of concentration camps in Bosnia and creating a Nuremberg-style tribunal to try war criminals. This may, of course, require a commitment to use force. America has the support of France for such action. In short, the conflict in former Yugoslavia may soon spread beyond its current confines, unless there is UN intervention or UN support for a US-led multilateral action.

The Bosnian situation began to deteriorate after Yugoslavia seemed well on its way to disintegration and Serbia embarked on its archaic Greater Serbia dream, stirring minority Serbs in Croatia and Bosnia into a frenzied grab for territory. The UN arms embargo imposed in October 1991 on former Yugoslavia, after Croatia and Serbia started fighting, made matters worse for Bosnian Muslims, who were ill-prepared, while the well-armed Serbs were able to press their military advantage to seize much of Bosnia. Peace talks only resumed in earnest recently after international pressure was exerted on the warring parties. But without an adequate UN-backed deterrent force on the ground, any peace plan would be at risk of being flouted. The peace plan proposed by UN envoy Cyrus Vance and the EC representative David Owen is also flawed. It does not proceed on the basis of status quo ante bellum.

Bosnian Muslims are loathe to legitimise territorial gains forcibly achieved by Serbs, especially under a plan that gives them only 25 percent control. Bosnia comprises 44 per cent Muslims, 30 per cent Serbs and 17 per cent Croats. Bosnian Serbs have resumed their demand for territorial linkage with Serbia and recognition of the principle of self-determination. Meanwhile, Croatia's bid to dislodge Serb militia along contested border zones has further set back peace prospects. Such post-Cold War challenges must be met, lest irresponsible and anarchical forces gain the upper hand in a world in delicate transition. The dangers are too great for the world community to sit by while Bosnia continues to burn.

PRC Airlines Begins Kunming-Singapore Flights

BK2801141093 Singapore THE STRAITS TIMES in English 28 Jan 93 p 14

[Text] Visitors who want to fly direct to China's Yunnan Province can do so now on its airline.

Yunnan Airlines' first international flight landed at Changi Airport at 11:50 am [0350 GMT] yesterday after a three-hour flight from Kunming City, the capital of the province.

The airline will offer a weekly chartered service between Kunming and Singapore—a 2,000 kilometers flight—every Wednesday until the end of next month.

At a press conference held after his arrival here, the airline's president, Mr. Geng Yin Cai, said that scheduled flights are expected to begin in March.

Speaking on joint business ventures with Singapore, he said that discussions are underway between Yunnan Airlines and Singapore Airlines to expand Kunming Airport.

Yunnan Airlines is one of the five domestic carriers in China which have applied recently to the Civil Aviation Administration of China for permission to fly to Singapore on a scheduled basis.

The other four are:
—China Eastern, which wants to operate between Shanghai and Singapore;
—China Southern, which plans to fly from Guangzhou or Shenzhen;
—China Southwestern, which intends to operate from Chengdu; and
—China Northwestern, which wants to fly from Xian.

Singapore's Changi Airport is now linked to 110 cities in 55 countries by 59 airlines.

It handles 2,462 scheduled flights every week.

SRV Refugees Detained for 'Criminal Trespass'

BK2901080093 Kuala Lumpur BERNAMA in English 0654 GMT 28 Jan 93

[Text] Singapore, Jan 28 (OANA-BERNAMA)—Police detained 72 Vietnamese refugees for criminal trespass Wednesday when they staged a sit-in at the United Nations High Commissioner for Refugees (UNHCR) office.

The refugees escaped from their Hawkins Road camp in Woodlands at about 6 am to conduct the 12-hour protest outside the 23rd floor UNHCR office in International Plaza.

Police spokesman Assistant Supt. Yap Yeow Woon said Thursday the 54 men and 18 women would be held until investigations were completed.

The refugees staged the sit-in to protest the delay in resettlement in third countries.

The countries—the Netherlands, Norway, the United States, Britain, Sweden, Denmark, and Germany—had originally offered them asylum.

One of the refugees said they did not want to go back to Vietnam. Last November, the refugees staged a hunger strike at the Hawkins Road camp to protest against the resettlement delay.

Cambodia

UNTAC Spokesman Announces Election Dates

HK2801141793 Hong Kong AFP in English 1410 GMT 28 Jan 93

[Text] Beijing, Jan 28 (AFP)—Legislative elections will take place in Cambodia May 23-25, United Nations Transitional Authority in Cambodia (UNTAC) spokesman Eric Falt said here Thursday.

The dates were decided during a meeting of Cambodia's Supreme National Council here Thursday under the chairmanship of Prince Norodom Sihanouk, Falt said at the end of the meeting.

Falt said all four factions represented on the SNC had accepted the date of the election. The Khmer Rouge, the most powerful of the three factions opposing the Phnom Penh government, had raised no objections, although they have not registered for the the polls, he added.

The results of the vote, held under United Nations supervision in line with the October 1991 Paris peace accords which formally ended nearly 13 years of civil war, would be published at the beginning of June, Falt said.

SRV Troops Reportedly Register in Koh Kong

BK2901013493 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 28 Jan 93

[Excerpt] People in Dang Tong town in Koh Kong Province reported in early January that the Yuon Hanoi [Hanoi Vietnamese] dispatched 5,000 soldiers and policemen, including junior field officers and generals, to register for elections in Koh Kong. These Yuon are currently taking over people's land in Dang Tong to build houses.

The reports also say that some of the Yuon soldiers can speak Cambodian fluently, while others speak with an accent. Others speak Cambodian, French, and English, and some have already been working with UNTAC [United Nations Transitional Authority in Cambodia].

The people say that these are Yuon aggressor forces disguised as civilians and hidden among Vietnamese civilians and Cambodians. Where else should UNTAC search for the Yuon? They are right there among the UNTAC staff. It is these Yuon aggressor forces who have carried out political terrorism and fascist activities to murder and kill the Cambodian people and members of various political parties which have carried out activities against the Yuon directly or against the Yuon's puppets because the Yuon aggressors do not need to implement the 23 October 1991 Paris agreement. [passage omitted]

'Suspected' KR Fire Into Crowded Dance

BK2801102493 Hong Kong AFP in English 0744 GMT 28 Jan 93

[Text] Phnom Penh, Jan 28 (AFP)—Suspected Khmer Rouge [KR] guerrillas crashed a dance party near Cambodia's famous Angkor temples and opened fire with machine guns, rocket-propelled grenades and AK47s, killing eight people including a child, the United Nations said Thursday.

The attack in Siem Reap Province overnight Tuesday also left 12 people injured. Three of the men killed and another three of the injured were Phnom Penh Government policemen, UN spokesman Eric Berman said.

"It appears as if the attackers singled out some of their victims," he said.

The village of Srit where the attack took place is five kilometers (three miles) northeast of where unidentified gunmen attacked a UN election registration tent and UN civilian police, killing two UN workers on January 12.

Both are 20 kilometers (12 miles) east of the Angkor Wat complex, the symbol of Khmer civilization which draws thousands of tourists each year.

Some of the people in Srit had signed a petition blaming the Khmer Rouge for the earlier attack, Berman said.

The motive may have been linked to the signing of the petition, he said.

Up to 1,500 Cambodians were dancing at the party when the 10 to 15 armed attackers came up and opened fire.

"They were shooting into the crowd," Berman said.

Four women and four men were killed, all between 18 and 26 years old, except for one 13-year-old girl.

One witness said two of the men were wearing Khmer Rouge uniforms and caps, but Cambodian factions are known to wear each others' uniforms.

"That in itself is not enough reason" to conclude the Khmer Rouge were responsible, he said.

The dance music equipment, including the tape recorder and amplifier, were stolen during the attack, Berman said.

The United Nations has not yet released the results of the investigation into the first Siem Reap attack.

KR Said To Gun Down 7 People in Siem Reap

BK2801141293 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 1300 GMT 28 Jan 93

["Latest News"]

[Text] At 0220 on 27 January, 15-20 Khmer Rouge [KR] elements from the 92d battalion of the 92d regiment in the 980th Division cruelly attacked people performing religious rites for the late abbot of (Popuol) Monastery in Kantreang Commune, Siem Reap district, Siem Reap-Oddar Meanchey Province. As a result, five villagers, a combatant, and a district policeman were killed; seven villagers and three policemen were wounded; and four oxen, a cassette recorder, an amplifier, some cassette tapes, and an AK rifle were destroyed. It is worth mentioning that at the same time they also brutally shot dead some wounded people on the site. While retreating, the bandits took away two of our combatants, who later managed to escape.

Moreover, according to official informed sources, the UN Transitional Authority in Cambodia on 27 January sent to trial a Khmer Rouge soldier called Than Thoeun, 25, who had joined in executing 15 ethnic Vietnamese in Kompong Ta Cheh village, Ta Cheh Commune, Kompong Tralach district, Kompong Chhnang Province on 27 December 1992. The assassin is accused of criminally executing innocent people.

KR Ignore Election Registration Deadline

BK2901080793 Phnom Penh SPK in English 1059 GMT 28 Jan 93

[Text] Phnom Penh SPK January 28—The registration deadline for all Cambodian parties competing in UN-run elections went by Wednesday with no indication of a last-ditch effort by the Khmer Rouge [KR] to join the peace process, reports AFP.

While the UN Transitional Authority in Cambodia (UNTAC) election registration office was to stay open until midnight, no UNTAC officials or diplomats expected the Khmer Rouge to bring in last- minute paperwork.

"Unless they get an application for party registration in today, they're out of the constituent assembly election," said UNTAC deputy chief electoral officer Michael Maley, adding that it would be virtually impossible to complete the process in just one day.

The radical faction told Indonesian Foreign Minister Ali Alatas last week that it would not participate, and on Tuesday denounced the polls as a farce aimed at legitimizing what it called the continued Vietnamese occupation of Cambodia.

About 15 parties were expected to complete all the requirements for the UN-run general elections scheduled for May. A total of 22 parties, many made up of overseas Cambodians from France and California, attempted provisional registration.

The requirements include the signatures of 5,000 registered members and a list of 120 candidates who will compete for the legislative seats, along with funding information and statements from party leaders saying they uphold the principles of democracy, Maley said.

UNTAC officials will spend the next several days making sure each party's 5,000 names are authentic.

So far, UNTAC has registered 4.58 million Cambodians to vote in the elections. The registration period closes on Sunday.

The date of the elections has not yet been fixed, but Maley said that for logistical reasons it could not be held before May.

The timing of presidential polls remained a question mark as well. Prince Norodom Sihanouk—the likely winner of any presidential race—changed his mind yet again Wednesday and said he wanted the presidential election to be held only after the general election.

UNTAC officials have pushed to have both elections on the same day for logistical reasons, but Alatas said he had asked the Khmer Rouge to consider participating in the presidential election only—which could happen only if the two elections are on different days.

The presidential election is not originally part of the UN peace plan ending the Cambodian civil war. However, the UN Security Council acceded to the idea after the prince declared he wanted to be elected president by the Cambodian people, and most of Cambodia's factions agreed that this would bring stability to the country in the interim period after the legislative election.

Cambodian-American Kim Kethavy, president of the anti-Sihanouk Republic Democracy Khmer party, which boasts the American flag and a "Communism is Evil" sign at its downtown office, said he intended to run against Prince Sihanouk in the presidential election.

"I don't want Cambodia having a dictatorship or (one man) with absolute power," said the California gas station owner who returned in Phnom Penh several months ago to set up the party.

It was not immediately clear whether others would run against Prince Sihanouk for president.

UNTAC officials said the powers of the presidency were the main agenda item at Thursday's Supreme National Council (SNC) meeting in Beijing.

However, the prince said in a statement that he as chairman would forbid discussion of the presidential election at the meeting.

UN Attempt To Try KR Guerrilla Blocked

BK2901091293 Hong Kong AFP in English 0834 GMT 29 Jan 93

[Text] Phnom Penh, Jan 29 (AFP)—The Phnom Penh government has blocked attempts by U.N. peacekeepers to bring mass murder charges against a Khmer Rouge [KR] guerrilla for the brutal massacre of ethnic Vietnamese last month, a U.N. spokesman said Friday.

The government's Ministry of Justice ordered its municipal court judge not to hear the case of Than Theuan, 25, who deserted from the Khmer Rouge ranks and confessed to his role in the massacre of 15 people in a Vietnamese fishing village in Kompong Chhnang Province on December 27, U.N. spokesman Eric Berman said.

"We have said to him (the judge) there is supposed to be independence of the judiciary and that from his comments he does not appear to be independent," Berman said.

"Discussions with the Ministry of Justice revealed there had been interference from the ministry that is inconsistent with the principle of an independent judiciary," he said.

The minister of justice, Ouk Bun Chhoeun, is the highest ranking former Khmer Rouge official presently serving in the Phnom Penh government. The government did not have an immediate response.

U.N. Transitional Authority in Cambodia (UNTAC) sources said the legal department was considering bringing in foreign judges from Australia or New Zealand to try the case since no Cambodian judges will do it. This case, and one involving murder charges against a government policeman, are the United Nation's first-ever attempts at prosecution.

The refusal of the judge to hear the case caused the mass murder suspect to be held in violation of the country's criminal code. Under the law, a suspect must appear before a judge within 48 hours of his arrest or be released. The 48-hour period expired Thursday night, but UNTAC was still holding him "for concern over his safety and because we did everything we could do according to the law," Berman said. "We submitted the case to a judge and the judge did not act on the subject," the spokesman said.

In the case of the government policeman, a Phnom Penh municipal judge ordered last week that he be held for 14 days while an indictment for the murder of an opposition FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia] party member was prepared. The period ends next Wednesday, by which time the judge must have granted the indictment or have ordered his release.

The government has called that case "an abuse of power" on the part of UNTAC because he is being held on UNTAC premises rather than in the government jail—from where U.N. officials say he was sure to have been set free.

The ability of UNTAC's Australian prosecutor to bring the case to court was thrown into question by the latest incident.

In the Khmer Rouge case, Than Theuan confessed to firing a B-40 rocket-propelled grenade at Vietnamese houses. UNTAC police took him to the village where he re-enacted his role in the massacre on video tape.

U.N. officials said at the time that about 20 Khmer Rouge guerrillas slid up to the village of Phum Taches by boat, singled out Vietnamese houses and fired B-40s, chasing people to the riverbank where the Khmer Rouge then opened fire on mothers pleading for mercy for their pollution at sea and illegal fish catch. Customs, immigration, and sanitary duties should be given attention. Therefore, cooperation in the protection of international shipping and in preventing sea pollution needs to be stepped up, he asserted.

In reply to questions, Arifin said that the Maersk Navigator supertanker, which caught fire after a collision with another tanker off shore of western tip of Sumatera a few days ago, is now located in Andaman waters of the Malacca Straits.

Hopefully, the wind will not change its direction from blowing to the westward. Otherwise, the oil slick would drip into the Indonesian waters, he argued.

As for robberies, which had taken place at some points of the Indonesian waters, the admiral said that 40 robbers were captured in the meantime. They had no organization and used rowing boats which were not capable of crossing deep seas.

Official Views Competitiveness in ASEAN Markets

BK2801055593 Jakarta KOMPAS in Indonesian 19 Jan 93 p 3

[Excerpt] Jakarta, KOMPAS—Indonesia has competitive edge on more than 90 percent of products being traded in ASEAN markets. For Indonesia, ASEAN serves more as its export markets of CEPT [Common Effective Preferential Tariff] products rather than as its import markets.

This was disclosed to reporters by Professor Dr. Suhadi Mangkusuwondo, vice chairman of the Trade and Management Development Institute in Jakarta on 18 January. "If this trend continues, Indonesia will be able to compete well in the AFTA [ASEAN Free Trade Area]," he added.

The country's competitive edge can be seen from the figures shown in the Trade Specialization Index in the past few years. The index is obtained by multiplying by 100 percent the balance between imports and exports value and from this index, the competitiveness of certain commodity products can be found.

Out of the 27 Indonesian products grouped in the CEPT, there are 14 commodity products which are very competitive, such as traditional products like vegetable oil, cement, vehicle tires, textile yarns, textiles, and furniture. Other commodity products include plastic products, glasses, ceramics, jewelries, and telecommunications equipments. [passage omitted]

Military Chief Defends System, Ideology

BK2801091093 Jakarta ANTARA in English 0618 GMT 28 Jan 93

[Text] Jakarta, Jan 28 (OANA/ANTARA)—Unsatisfactory development results is not caused by the basic system, Chief of the Indonesian Armed Forces Gen. Try Sutrisno said here Wednesday, adding it's the process which should be given due attention whenever development activities were unable to turn out the expected fruits.

In an address before participants of the Pancasila democracy and its prospect in the second long term development plan, Try called for better popularization of the basic values of the Pancasila state ideology.

He said Pancasila was an open ideology and it could not be independent from the influence of the globalization which would make every single event in any part of the world easily spread across state boundaries and affect relations among individuals, groups, nations, and states.

However, Indonesians with their state ideology must be able to capitalize on the positive sides of globalization and discard its negative impacts, Try said. The seminar, which ended Thursday, was attended by about 70 participants, including political observers, government officials, legislators, and university students.

Government Unlikely To Seek Private Loans

BK2601133693 Jakarta ANTARA in English 1059 GMT 26 Jan 93

[Text] Jakarta, Jan 26 (OANA/ANTARA) - The government will not likely borrow private funds to finance its development projects because it wants not to cause difficulties for the private sector in seeking private funds, said Finance Minister J.B. Sumarlin.

Sumarlin told reporters prior to a workshop here on Tuesday that time has not come for the government to borrow private funds because it wants to give opportunities to the private sector to get such funds.

He is confident that the private sector will not get private funds if the government issues bonds because of the people's confidence in the government.

He warned that the issuance of government bonds would prompt the private sector to seek offshore loans which will in turn cause a burden to the country's balance of payment.

The government will continue to adopt a balanced and dynamic development budget even in the second long term development programme which will start next year apparently to enable the private sector to use private funds collected by financial institutes, insurance companies, and capital markets, he said.

He said that the government has put emphasis on aspects of efficiency, productivity, cost effectiveness to develop the strategy of financing the national development.

He said that the system which is applied to develop the strategy of financing the national development will become a boomerang if it disrupts economic stability.

He added that stability is an absolute requirement to carry out development activities.

The seminar is held by the Centre for Information and Development Studies (CIDES) of the Indonesian Moslem Scholars Association (ICMI) in cooperation with the Center for Agro-business Development.

Bank Official: Loan Strategy Needs Reviewing

BK2801082593 Jakarta ANTARA in English 0624 GMT 28 Jan 93

[Text] Jakarta, Jan 28 (OANA/ANTARA)—Junior Director of the Central Bank, Bank Indonesia, Dahlan Sutalaksana said here Wednesday that a decrease in deposit interest without a decline in loan interest since the central bank eased monetary liquidity in April last year has demanded a reviewing in the bank loan strategy.

If banks maintain a high rate of loan interest, people cannot easily get access to funds from banks, he told a seminar on chances of banks and the business world in Bandung as a result, people will try to obtain funds from non-bank sources as is reflected from the large number of valuable papers issued by non-bank institutions, he said.

In 1991 the valuable papers issued by such institutions were registered at [rupiah] rp 398 billion (about 149 million US dollars) and in 1992 rp 866 billion (about 433 million US dollars).

In this situation, Sutalaksane said, banks cannot but lower their loan interest rate as is evident from the fact that from July to November 1992, the channelled loans soared up to rp 6.7 trillion (about 3.35 billion US dollars) while six months totalled only rp 5.2 trillion (about 2.6 billion US dollars).

These showed that banks' use of funds from a third party had begun to shift from fund deposit in the form of Bank Indonesia certificate to loan channelling, he said adding that these were estimated also as the characteristics of the 1993 banking activities.

That banks have begun to accelarate the lowering of loan interest rate in keeping with the demand of economic development is seen from the fact that in the first half of last year the rate went down by only 0.7 percent while in the second half of the year it plunged to 2.1 percent.

The seminar, organized by the Bandung-based PIKIRAN RAKYAT daily in cooperation with the NISP [expansion unknown] Bank was attended by 200 participants.

Other speakers included noted economist Dr. Syahrir and rector of the Parahiyangan University Pande Raja Silalahi.

East Timor Rebel Spokesman Says 70 Soldiers Killed

BK2801102093 Hong Kong AFP in English 0826 GMT 28 Jan 93

[Text] Sydney, Jan 28 (AFP)—At least 70 Indonesian troops have been killed in fighting with resistance forces in East Timor since guerrilla leader Xanana Gusmao was captured in November, a spokesman for the resistance movement said here Thursday.

Jose Ramos-Horta, special representative of the National Council of the East Timorese Resistance Movement at the United Nations, told a media conference the resistance had escalated its attacks since Gusmao's capture.

But none of its fighters had surrendered, despite Indonesian claims that 1,100 had surrendered, he said.

Ramos-Horta also said a Dili taxi driver, a member of the resistance, had led Indonesian security forces to Gusmao after being brutally tortured.

"He was captured, toenails extracted, legs broken, electric shock, and then finally he succumbed to the torture and told Indonesian authorities where Xanana was hiding," he said.

At the same time, Ramos-Horta also named the new rebel leader as Ma'huno Bulerek Karathayano, 43, a close aide to Gusmao for the past decade and a resistance fighter for 17 years.

Ramos-Horta said the most reliable information available suggested 20,000 Indonesian troops were engaged in "search and destroy" operations across most of the territory.

Four Indonesian officers were said to have been among the 70 casualties.

The East Timorese Resistance Movement also released a list of 51 people who allegedly have disappeared or been arrested or tortured since Gusmao's capture.

Ramos-Horta, who is due to address the United Nations Human Rights Commission on the matter in Geneva next month, said the 70 Indonesians had been confirmed dead from five clashes in November and December.

Indonesia had suffered "significant" casualties in 16 other incidents since December where accurate figures were not available, he said.

Ramos-Horta said the resistance had intensified the fighting to show the Indonesian Government Gusmao's arrest did not end the movement, and he repeated his previous claims that Gusmao had been tortured since his capture.

Gusmao, 46, who led the Revolutionary Front for an Independent East Timor, or FRETILIN, is due to go on trial on February 5, charged with undermining the Indonesian Government.

The former leader had not voluntarily urged his supporters to resign, as Indonesia has claimed, Ramos-Horta said.

If Gusmao had made the remarks voluntarily, Indonesia officials would have taken him with them to last month's UN-sponsored talks on East Timor to give him an international forum, he said.

"He has not been seen by one single independent lawyer since his arrest," said Ramos-Horta.

He also attacked the Australian Government for continuing to train Indonesian soldiers in such skills as counter-insurgency, which he linked with strategies in East Timor.

But he could not say whether Australian-trained troops were used there.

He expressed guarded optimism that United States President Bill Clinton's new administration eventually would help the East Timorese.

Indonesia annexed East Timor in 1976 after intervening in a civil war in the Portuguese colony months after the colonial administration withdrew. The UN still considers Portugal the legitimate administrator of East Timor.

Nuclear Plant To Cost $1.2 Billion

BK2801084793 Jakarta ANTARA in English 0741 GMT 28 Jan 93

[Text] Jakarta, Jan 28 (OANA/ANTARA)—A techno-economic study by the National Atomic Energy Agency (BATAN) about the construction of a nuclear power plant (PLTN) at Muria Peninsula, Jepara, Central Java, will be completed this year with concrete results on the kind of nuclear power plant, building costs and the building site.

Speaking to the press after the inauguration ceremony of a radio metallurgical installation project at the Serpong Technical Research Center, Tangrang, on Wednesday, BATAN's deputy chief for the assessment of nuclear science and technology, Iyos Subki, pointed out that expenses for the construction of a nuclear power plant with a capacity of 600 megawatts would amount to 1.2 billion US dollars.

The radio metallurgical installation project was built by the German consortium nuclear facility in cooperation with the BATAN.

Iyos Subki went on to explain that expenses for the construction of a nuclear power plant would relatively be determined by the kind of power plant which would be used and funds could be obtained through soft loans.

About the amount needed for the construction which will be carried out under the 'build, own and operate (BOO)' scheme, there is no problem, taking into consideration that Indonesia's debt service ratio (DSR) in 1994 will relatively be better, he said.

According to Iyos Subki, BATAN is at present studying several kinds of nuclear power plants, including the 'pressurized water reactor', the 'boiling water reactor', the 'pressurized heavy water reactor', the [words indistinct] economy, construction and performance, he added.

Apart from studying the five kinds of PLTNS, BATAN is also studying five potential site plans for the construction of the nuclear power plant, he seid.

Commenting on the anxiety of part of the world community about radio-active waste, Iyos Subki explained that Indonesia's policy was to store the radio-active waste for the duration of eight to 60 years.

Iyos Subki also revealed about the participation of the private sector in cooperation with BATAN in the management of the future nuclear power plant.

Philippines

U.S. 'Superpower Bullying' in Gulf Questioned

HK2901082293 Manila THE MANILA CHRONICLE in English 29 Jan 93 p 5

[Column by Ricardo Malay]

[Text] The U.S.-led allied strikes on military targets in Iraq, coming in the twilight of the Bush administration, tears away the camouflage of peaceful U.S. aims in Iraq, doing little to dispel fears that imperialism never went out of fashion.

It brings the term superpower bullying to newer heig[illegible] and raises serious questions over the professed peaceful concern of Washington in the Gulf areas. If dissensions in the coalition have loomed in the horizon, it is the U.S. war planners' fault that they have ignored calls for a peaceful solution to the crisis.

To be sure, most of the global community were willing to scrape along with the allied decision to apply military sanctions on the defiant Saddam Husayn. There were few dissenters to the view that the Iraqi strongman had to somehow be made accountable for his rampant violations of the UN resolutions.

The western allies themselves assured the world that their punitive action against Iraq would be of lesser dimensions than Desert Storm. As the American administration prepared to change hands, however, it definitely looked as if the air strikes were hitting more than just anti-aircraft missile batteries and radar defense sites.

In total recall from Vietnam, the Iraqi raids claimed civilian lives from the air. All the American pilots, from the safety and comfort of their cockpits, merely do is push a button to unleash their cargo of destruction and death. Flushed with victory, they look at the billowing smokes where their bombs have detonated and wing back to their bases. Unseen to them are the innocent people their ordnance have killed or maimed on the ground with such efficiency and dispatch.

According to Iraq, civilian casualties have been involved as the Americans intensify their raids. The downtown al-Rashid Hotel suffered a hit during a strike which claimed civilian lives. As a result of this overkill, cracks have appeared on the anti-Saddam alliance, throwing into doubt U.S. claims of a calculated victory.

The Arab and Muslim coalition is beginning to stand up to what it perceives as undue American swashbuckling. Although opposed by most Arab countries over the Kuwaiti queston, Iraq is still a redoubtable member of the Arab world which can always reactivate its latent sympathies when push comes to shove for Saddam Husayn.

Still, what grates the sensibilities of the civilized world is the bullying the Bush administration is subjecting Iraq to. It knows it holds the military edge over the Mideast dictator and seems to be salivating on the agonies it has inflicted on Iraq.

President Clinton, who wore a less hawkish face while on the campaign hustings, is disappointingly supportive of Bush's warmongering. He had made it clear to the world the U.S. would continue dealing with Saddam with the same armored fist as his predecessor had done. Nobody who was born yesterday knows that the best way to whip up a stars-and-stripes frenzy is to send in the marines to a country like Grenada or Iraq in the interest of freedom and democracy. [sentence as published]

If American governments are relishing to the hilt their self-anointed role as policemen of the world, it is simply because they have a monopoly of raw power which gives them free rein to intervene in other people's affairs. The time of the Soviet empire which could act as counterweight to global American adventurism, rightly or wrongly, is over. Only America and its allies, faded colonial powers, have the undisputed power to beard the likes of Saddam Husayn in their own dens, although they have their own contradictions among themselves too.

While it has the will and the power to pound other nations into submission, America is also clever to foist a kinder and gentler image of itself on the world. Operation Restore Hope was precisely crafted to convey the idea that American marines were not only good at enforcing a Pax Americana but at performing civic duties in Somalia as well.

World opinion would like to see the immediate end or de-escalation of the American offensive action in Iraq. It is clear that American objectives have been met even as the Iraqis seem about ready to wave the olive branch.

It would be foolhardy for Clinton to continue identifying himself with the make-war, make-peace policy of Bush at a time when the immediate concern of world leaders and diplomats is to focus their attention on the problems of Bosnia, Somalia and Cambodia, to name just a few countries.

The Middle East, or any other region for that matter, needs no presence of a superpower. Far from stabilizing conditions, a superpower becomes the source of tension and instability in a region teeming with nationalist sentiments.

Where does that leave the problem of oppressive rulers like Saddam Husayn who undeniably has ambitions of becoming a regional superpower? There is no doubt that he remains a reckless and dangerous man bent on asserting the supremacy of Iraqi civilization in the Arab world.

The problem belongs to the Arab world to solve. In the long run, a solution that should sculpt an abiding peace that will hold for generations to come should take hold.

In this regard, a more effective role for the United Nations that goes beyond military policemen duties should be considered. The UN was born of the need to unite the world in all its diversities to live under a mantle of peace and security; that should make superpower bullying not only redundant but undesirable.

Editorial Views Report on U.S. Role in Asia

HK2901072393 Manila MANILA STANDARD in English 29 Jan 93 p 8

[Editorial: "Asia Neglected"]

[Text] The United States Government should pay more attention to Asia, says The Asia Foundation's Center for Asian Pacific Affairs. "Asia has not received sustained, high-level attention in the U.S. executive branch and Congress in recent years," the center said in its report, "America's Role in Asia—Interests and Policies." As a result, the report said, U.S. ties with key Asian states have deteriorated and "regrettably, U.S. prestige and influence are declining in Asia."

The report, prepared by Asia experts who were asked to study U.S. relations with Asia after the end of the Cold War, expresses doubt that the United States will maintain its security commitments in Asia, including keeping a "substantial military presence." A precipitous withdrawal of the United States from Asia, the report warns, "could have dangerous consequences for regional stability and economic prosperity."

The report, which was released last Tuesday, really says nothing new. Since the end of the Cold War, the U.S. Government has been preoccupied either with Eastern Europe and the countries that used to comprise the Soviet Union or with the countries around the Persian Gulf. The neglect of Asia is likely to continue under the Clinton administration, which came into office on the vow to concentrate on domestic affairs.

Though the authors of the report declare that it is wrong for the United States to neglect Asia, it cannot be overstressed that the "wrongness" of this neglect is based on what these experts perceive to be the national interests of the United States. They work on the assumption that the United States must maintain its ties with the key states in the region and that its prestige and influence must not decline. Moreover, they regard a substantial U.S. military presence in the region as a prerequisite to political stability and economic prosperity.

The authors, however, do recognize that the national interests of the United States do not necessarily coincide with the national interests of states in the region. Consequently, their recommendations reflect a refreshing sensitivity to the economic and political issues that cause friction between the United States and Asia-Pacific countries.

Whether or not these recommendations will be accepted by the U.S. Government is another matter altogether. The report is not a government report. It was financed by The Asia Foundation, a private grant-giving organization based in San Francisco, California. The foundation was established over 40 years ago to promote mutual understanding between the United States and Asia and to encourage democratic processes in Asia countries.

Through most of the years of its existence, the foundation has channelled most of its assistance to the development of institutions in Asian countries; its efforts toward the promotion of mutual understanding seem to have been skewed toward a greater understanding of the United States among Asians.

Today, the changes in the international situation suggest that the foundation ought to play a greater role in promoting a better understanding of Asia within the United States. The report that was released last Tuesday is a commendable effort in this direction.

It would be even more commendable if the foundation made a major commitment toward publicizing the recommendations of this report and persuading U.S. policy markers to incorporate in their thinking the key points made in the report.

It will not be easy. Tax-exempt foundations may not engage in activities that could be construed as partisan in character. Still, a certain amount of soft lobbying can be done—through the many networks of academics, bureaucrats and businessmen interested in the Asia-Paicific region.

Peace Talks With Rebel Military Leaders Begin

HK2801144893 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 28 Jan 93

[Text] The National Unification Commission has formally opened the peace talks between the government and rebel military loyalists. The loyalist panel was led by Brigadier General Jose Maria Zumel as chairman, Brigadier General Jose Comendador as co-chairman, with members Colonel Oscar Canlas, Col. Reynaldo Cabawatan, Col. Gregorio Cagurangan, and Justice Manual Lazaro. The government panel was led by Professor Alfredo Tadiar as chairman with members Commodore Armando Madamba, deputy director-general Manuel Roxas, and state prosecutor Melchor Sadag.

At a press conference held with local and foreign media, both sides expressed hope that the peace talks would be fruitful. In his opening statement, Zumel stressed that his group does not belong to the Soldiers of the Filipino People and clarified that his group is made up of military officers and soldiers loyal to former President Ferdinand E. Marcos calling themselves Alyansang Tapat sa Sambayanan [Alliance Loyal To the People]. Zumel confirmed one of the issues to be discussed in the talks is the return of the Marcos remains.

[Begin Zumel recording in English] That is one of the issues that we brought up. I think that it is the right of the family to take care of the remains. [end recording]

Meanwhile, Professor Tadiar said the peace talks between the government and Revolutionary Nationalist Alliance leaders [RAM] are scheduled to be held tomorrow at the Philippine Heart Center. Issues regarding reforms sought by the RAM will be discussed in the talks.

[Begin Tadiar recording in English, in progress] ...The reforms that can immediately be implemented, that can be implemented on a medium term, and that can be implemented only through legislation. We will tackle those issues that can be implemented by the executive department of the government. Those that will require legislative action would just have to be placed at a later time. [end recording]

Alleged Corrupt Justices Worry Ramos

HK2801135993 Quezon City Radyo ng Bayan in Tagalog 1300 GMT 28 Jan 93

[Text] President Fidel V. Ramos has expressed concern over reports that four Supreme Court justices were being investigated for alleged involvement in corruption.

Presidential Spokesperson Annabel Tecson Abaya said the executive department has no concrete action at the moment, adding that the constitution separates the powers of each branch of the government. On the other hand, Abaya has encouraged the legislature to take some action such as filing and approving a resolution to impeach the justices. A separate decision from both houses of Congress is also needed to implement a resolution to impeach corrupt justices.

Senator Claims Central Bank Bankrupt

HK2901074893 Manila PHILIPPINE DAILY INQUIRER in English 29 Jan 93 p 18

[Report by Tony S. Bergonia]

[Text] An opposition leader at the Senate yesterday charged the Central Bank [CB] of using accounting tricks to hide its bankruptcy which, according to an audit report recently furnished the Senate, gave the CB a negative net worth of P50 billion [Philippine pesos].

Senate Minority Leader Wigberto Tanada unveiled a report of the Commission on Audit [COA] questioning the CB's declaration of assets, saying that in reality the CB was bankrupt by about P50 billion.

children before being shot dead. Immediately after the massacre, the Khmer Rouge had issued a statement denying their involvement.

UNTAC only recently took on the powers of arrest and prosecution in a desperate attempt to halt the mounting wave of political and ethnic violence. Dozens of people have been massacred or assassinated because of their political activity or ethnic origin since November, according to U.N. officials.

A copy of the special prosecutor's application to the court called the crime "a brutal massacre of innocent people."

Sihanouk Condemns Attacks on UN Personnel

HK2901051693 Hong Kong AFP in English 0445 GMT 29 Jan 93

[Text] Beijing, Jan 29 (AFP)—The Khmer Rouge were noticeably absent Friday from a statement issued here condemning attacks on United Nations personnel in Cambodia.

The statement, released in the name of the country's three other factions by Prince Norodom Sihanouk, condemned all forms of violence (politically-motivated killings, racist crimes, harassment, intimidation, threats and political terrorism) against Cambodians or foreigners in Cambodia.

It was published early Friday by Prince Sihanouk, head of the Supreme National Council, after the council met in Beijing along with representatives of the United Nations Transitional Authority in Cambodia (UNTAC), the five permanent members of the Security Council and other countries closely associated with the peace process.

The council, which groups all four factions, set May 23-25 dates for legislative elections in Cambodia.

Signatories to the statement were the government of Phnom Penh, headed by Prime Minister Hun Sen, nationalists of the former Prime Minister Son Sann, and Sihanoukists headed by the prince's son Prince Norodom Ranariddh.

The three factions urged "all political parties, all armed and unarmed factions in Cambodia, to scrupulously respect the life, security and fundamental liberties" of all UNTAC personnel whatever their rank or status.

According to the United Nations, scores of people have been killed in Cambodia since November because of their political opinions or ethnic origins.

UNTAC personnel have also been attacked or detained by Khmer Rouge forces.

The Khmer Rouge have blocked the peace process worked out under the Paris accords of 1991 and will boycott the U.N.-organised elections, claiming that Vietnamese troops are still deployed throughout Cambodia. Hanoi, which sent its troops into Cambodia in 1978 to oust the Khmer Rouge, insists that all its forces were withdrawn in 1989 and UNTAC says there is no evidence to the contrary.

Indonesia

Mass Gatherings Before Assembly Election Banned

BK2801063493 Hong Kong AFP in English 0443 GMT 28 Jan 93

[Text] Jakarta, Jan 28 (AFP)—Public gatherings have been banned in Indonesia in February and March to avoid demonstrations when the country's People's Consultative Assembly (MPR) meets to elect a new president, it was reported here Thursday.

Coordinating Minister for Political and Security Affairs Sudomo, quoted in the REPUBLIKA daily, said any assembly or meeting during those two months "must be cancelled" to avoid any serious threat to security and order. The 1,000-member MPR, which meets once every five years, will elect Indonesia's president and vice-president and establish the policy guidelines they are expected to implement over the next five years. Sudomo said the only exceptions to the ban would be sports and cultural events and forums for consultation and communication which supported and aided development. He did not elaborate.

Navy Chief Proposes New International Sea Lanes

BK2601094293 Jakarta ANTARA in English 0758 GMT 26 Jan 93

[Text] Denpasar, Jan 26 (OANA/ANTARA)—Indonesian Naval Chief Admiral M. Arifin has proposed to the 8th International Conference on Sea Lanes of Communication (SLOC) in Nusa Dua, Bali on Monday three new sea lanes with two sublanes in the Indonesian waters.

The matter was revealed by Arifin to the press after formally opening the conference which was sponsored by the CSIS [Center for Strategic and International Studies] and joined in by 70 delegates representing the ASEAN countries, USA, Australia, Japan, Taiwan, and several other Pacific nations.

The three sea lanes and adjacent sublanes are located in the Sawu Sea, including the Ombei Bay; the Timor Sea, including the Leti Bay, and the Arafuru Sea and the Banda Sea. The three sea lanes are expected to become new routes for the international shipping communication so in conformity with the free navigational concept, security measures should be taken to protect the sea lanes, the naval chief reminded.

Being an archipelagic state, Indonesia is not only concerned with safety and security, but also desirous to avert

"The comparative figures indicated below readily show that the (Central Bank) in reality has a negative networth of P50.802 billion instead of the P677 million networth indicated in its 1986 balance sheet," the COA report said.

"There are so many questions about the real extent of the Central Bank's bankruptcy," Tanada said in an interview before session.

The COA report added that the CB also declared as assets expenses it categorized as Monetary Adjustment Accounts (MAA), or payments for printing coins and bills, interest on deposits maintained in the bank, issuance and servicing of Central Bank certificates of indebtness and "other expenses which the Monetary Board may specify as extraordinary."

The CB, according to the COA report, also declared as assets expenses it categorized as Exchange Stabilization Adjustment Account (ESAA), or money the CB used to pay for documentation fees and other expenses related to negotiation for new loan agreements.

The CB losses incurred due to MAA and ESAA expenses, the report said, amounted to over P51 billion, which the CB should have delcared as losses instead of assets.

Subtracting the P51 billion from the P677 million of assets declared by the CB, the COA report concluded that the CB had an actual negative networth of P50.8 billion.

"This is why I'm recommending to the Central Bank to declare bankruptcy," said Senate Majority Leader Alberto Romulo.

CB officials are lobbying the Senate to win a go-ahead for the transfer to the government of over P308 billion worth of CB losses, saying it would give the Central Monetary Authority [CMA], envisioned as the CB's replacement, a fresh start.

The officials said some P222 billion of the CB's good assets would be transferred to the CMA, but the COA report expressed doubts whether these were real assets.

The assets, the COA report said, fell under the category of suspense accounts, or payments for obligations the CB was withholding until it earned 6enough profits to cover for the payments.

Thailand

Clinton Urged To Lift SRV Sanctions

BK2901014793 Bangkok THE NATION in English 29 Jan 93 p A6

[Editorial: "Clinton Must Lift Trade Embargo Against Vietnam"]

[Text] It is about time the United States shrugs off the so-called "Vietnam syndrome", once and for all, by lifting the trade embaro against that country. Both nations have been hurt by each other long enough. In today's world, there is no reason to prolong that unfortunate history a minute longer. It is now incumbent on the new US President Bill Clinton to make this encouraging move.

It would appear that former US President George Bush did not mean it when he expressed his desire to close the last chapter of the Vietnam war. Instead, he let the chance slip by even though much progress had been achieved in the past two years and a half when the first effort to tackle the PoW/MiA issue began.

Bush stuck to the "road-map" step-by-step normalization with Vietnam—which Vietnam has neither accepted nor rejected. Obviously, Hanoi has been trying to do everything it can not to detour from the road-map. Vietnam's attitude and its current Cambodian policy is a case in point. Without any special attention, US-Vietnamese ties are improving at a dismally slow pace.

The problem was, the Bush administration did not want to offend the anti-Vietnam lobbyists and families of those still listed as unaccounted for from the Vietnam war. Furthermore, toward the end of the administration, Bush was busy with economic problems, not to mention the pending election. Any movement aimed at improving the ties with this erstwhile enemy would have been disastrous. However, he could have taken drastic action before he stepped down just a few weeks ago. He chose not to.

Too bad, Bush will be remembered only for his endless effort to unseat Iraqi President Saddam Husayn, which brought him a major victory in the Gulf War. He could have been better remembered if he had move to end the Vietnam embargo.

Clinton represents a new breed of American leaders with the opportunity to start anew US-Vietnamese relations. His previous anti-Vietnam war attitude should be an asset in approaching the delicate issue of PoW/MiA.

He could make a fresh call on Vietnam to do its best to help with the remaining cases. Apparently, the Clinton administration has been influenced by the report of the Senate Select Committee on PoW/MiA Affairs that much more willingness to cooperate in resolving the fates of MiAs is needed. In return, Hanoi must make one last push showing the Americans that it has done all it can to cooperate. For the average American, trusting Vietnam is almost next to impossible. However, real progress was made on the issue which showed Vietnam's trustworthiness.

If Washington does not want to lift the embargo, let it make sure that the embargo affects only the US and Vietnam. The US should not block any international effort to give credit and loans to Vietnam. Vietnam deserves to be helped. In the past few years, almost all countries which have long been affected by the sanction have gone to and invested in Vietnam. European countries are becoming the most important sources of investment and technological know-how to develop the impoverished country. Even Japan, which has followed faithfully in the US' footsteps, has decided to resume assistance to Vietnam after 14 years.

Vietnam has suffered long enough from the war and now more than ever it needs help. The country needs a decent take-off period. The US embargo, if it continues to remain, will deepen the hatred that started four decades ago.

Textile Talks To Open With U.S., Finland

BK2901015593 Bangkok THE NATION in English 29 Jan 93 p B2

[By Atchara Phongwutthitham]

[Text] Thailand is to open talks next month with the United States on a new bilateral textile agreement to replace the existing one which expires at the end of this year.

Charae Chutharattanakun, director general of the Foreign Trade Department, will head the Thai delegation.

He said that if a new agreement could be struck soon it would be beneficial to both countnes.

The existing agreement took two years to thrash out, during which no quotas existed, allowing the US to impose individual quotas on products seen as having an excessive level of exports and undermining the US textile industry.

At the February meeting in Washington DC, the two sides will also discuss the problem of quota imposition on category 617—twill and sateen. The US imposed the quota at the end of last year on the grounds of excessive Thai exports to America.

Charae said Thailand must also conduct talks with the European Community on some unilateral quotas imposed by them.

In the case of the Nordic countries, Finland abolished the quota two years ago, but specific quotas could stlll be imposed if Finish industry was affected. This agreement is also due to expire at the end of this year.

Finland seeks negotiations wlth Thailand on category 15—men's and boy's cotton and man-made fibre shirts—and category 16—brassieres.

Thailand exported 400,000 pieces of category 15 products which the Fins claim has damaged their local industry. The sides will have to decide whether this growth was abnormal or not.

Charae expressed confidence in a satisfactory outcome with Finland, since Thailand had no intention of dumping the products which are said to be of high quality. The problem with category 16 is thought to be minimal, since the export volume was modest.

Charae said that textile and garment export regulations in 1993 had been improved to help boost exports to Bt[baht]200 billion in the next 10 years.

Starting Feb 15, exporters will have to adopt standard invoicing issued by the Foreign Trade Department for all products shipped to the US to prevent document forgery.

Further on Saudi Investigation; Minister Comments

BK2901013393 Bangkok THE NATION in English 29 Jan 93 p A2

[Text] Crimebuster Chalo Koetthet testified before a House committee investigating the police handling of the Saudi jewellery theft and the murder of four Saudi diplomats yesterday but refused to reveal details of the hearing, saying he was ordered to keep silent.

"I can't say anything today. Otherwise they would put me in jail," Pol Lt Gen [Police Lieutenant General] Chalo told reporters at Parliament, after appearing before the committee on labour and social welfare.

Asked who had ordered his silence, Chalo replied: "You may ask the Police Department director general (Pol Gen [Police General] Sawat Amomwiwat)."

Chalo, now a commissioner attached to the Police Department, led a police team investigating the jewellery theft. He has been accused of serious misconduct in handling the arrest of Kriangkrai Techamong, a Thai worker who stole the gems from Prince Faysal's palace in 1989, and the recovery of the jewellery.

Only 30 per cent of the stolen jewellery was returned to Riyadh by Thai police, Prince Faysal reportedly said in an April 1990 letter to former prime minister Chatchai Chunhawan. The letter was handed over to the police on Tuesday.

Diplomatic relations between Thailand and Saudi Arabia turned sour after four Saudi diplomats were murdered in separate incidents in 1989 and 1990, the abduction of a Saudi businessman and the theft of the jewellery.

The Saudis, unhappy with the lack of progress in the police investigations, banned Thais from taking up jobs there.

Soemsak Karun, chairman of the House committee on labour and social welfare, said yesterday he believed most questions would be settled after three or four more scheduled witnesses had appeared before the committee.

Soemsak proposed that a new investigating team be formed—under the leadership of Assistant Police Department Director General Pracha Phromnok and Deputy Central Investigation Bureau Commissioner Pol Maj Gen [Police Major General] Sombat Amomwiwat—to speed up the probe and to seek additional details.

Deputy committee spokesman Charoen Chankomon has quoted a senior Saudi diplomat as saying recently that about 90 kg of jewellery were unaccounted for.

Charoen said the diplomat gave him two videos to assist the committee in its inquiry.

Interior Minister Chawalit Yongchaiyut yesterday cast doubts on the authenticity of the Prince Faysal letter and its claim that only 30 per cent of the jewellery had been returned.

"It's unsure whether the prince really made such a notification," Chawalit told a press conference at the Interior Ministry. "Who knows the prince really said that?"

Asked whether he thought the letter was a fake, Chawalit said it was "uncertain", as nobody had ever told him that the letter was really sent by the prince.

"I'm a senior government official and I know nothing about this. So I have to put it this way," Chawalit said.

He also questioned the existence the "big diamonds" reported to have been recovered when Kriangkrai was arrested, and which were said to have been later put on display.

"I really want to see the gems that people said were shown in some gem exhibitions," he said. "Whoever can show me these gems, I'd like to reward them handsomely."

Chawalit said the investigation had been inadequate and was still inadequate.

Spokesman: SNC Rejects Timber Ban Relaxation

BK2901143993 Bangkok Radio Thailand Network in Thai 1200 GMT 29 Jan 93

[Text] Commenting on a report that the Saudi charge d'affaires expressed dissatisfaction over investigation by Thai police about the cases involving Saudi subjects, Foreign Ministry Spokesman Sakthip Krairoek said that the Foreign Ministry had never received an official complaint from the diplomat. He said the Thai Government had been doing its best to have all agencies concerned accelerate the investigation and establish facts for their superiors.

The Foreign Ministry spokesman also reported to newsmen at a press briefing at the ministry this afternoon that the Supreme National Council of Cambodia, or SNC, at a meeting in Beijing yesterday, rejected Thailand's request for a 180-day grace period after 31 December 1992 for exit of logs from the country. The spokesman referred to a letter from Thailand's foreign minister to Prince Norodom Sihanouk and said the request was rejected. As for the ban on gem exports, the SNC has asked the UN Transitional Authority in Cambodia, or UNTAC, to draft measures on this. He said there had been no conclusion on banning of gems, and it is therefore believed export of gems is still possible. Anyway, it is believed sanctions on gem exports, if any, would apply only to major gem exporters.

Trade Deficit, Current Account Improving

BK2901012193 Bangkok BANGKOK POST in English 29 Jan 93 p 20

[Text] Thailand's trade deficit last year amounted to 218,000 million baht, an improvement on 247,300 million baht the year before.

The current account also improved as it recorded a deficit of 171,000 million baht, compared with 193,300 million baht in 1991, according to Bank of Thailand spokesman Phisit Li-artham.

The lower trade deficit last year was a result of exports rising by 16 percent to 836,000 million baht. Imports increased by only 8.9 percent to 1,054,000 million baht, he said.

The net capital inflow amounted to 200,000 million baht, lower than the 294,800 million baht a year before. The net capital inflow of the private sector declined from 268,800 million baht in 1991 to 197,000 million baht and that of the state sector decreased from 26,000 million baht to 3,000 million baht.

The balance of payments still had a surplus of 29,726 million baht, but it was much lower than the surplus of 112,400 million baht in 1991.

Mr Phisit said that in December alone, the current account sustained a deficit of 19,206 million baht. This was attributable to less capital brought in by the private sector. The net capital inflow of the private sector in December amounted to 10,791 million baht, compared with 23,000 million baht in November.

Mr Phisit said the drop in December was because liquidity in the domestic market was very high and commercial banks reduced their borrowing abroad. They also repaid their foreign loans to make their balance sheets look good at the end of the year.

Phalang Tham Party Elects New Leader

BK2301143193 Bangkok Army Television Channel 5 in Thai 1200 GMT 23 Jan 93

[Text] The Phalang Tham Party held its annual meeting for 1993 today to elect a new party leader. Other subjects, including the party budget, a report on the election by the party executive board, and amendments to party regulations were discussed at today's meeting. At 0830, about 170 party members registered for the meeting, and at 1100 elections for the new party leader and party executive board began. The meeting proposed the names of Bunchu Rotchanasathian, Major General Chamlong Simuang, and Suthep Atthakon as candidates for party leadership, but Maj. Gen Chamlong and Suthep asked to have their names withdrawn from the race. This resulted in Bunchu Rotchanasathian being elected as new party leader with 144 votes.

On the election of the party executive board, the meeting voted for Suthep Atthakon, Squadron Leader Prasong

Sunsiri, and Udon Tantisunthon as the three deputy leaders of the party, Colonel Winai Somphong as party secretary general, and Charat Phuachuai, Thamrong Saengsuriyachan, and Chani Sakdiset as deputies to the party secretary general.

New Leadership Viewed

BK2801020793 Bangkok THE NATION in English 28 Jan 93 p A4

[By Prakopphong Panaphun and Monwipha Wongruchira]

[Text] What will become of the Phalang Tham Party with Bunchu Rotchanasthian as the new leader and its founder Chamlong Simuang on a self-imposed political vacation?

Judging from the new line-up of the party executive committee, the answer is the Phalang Tham will at least in the next two years remain much the same it always has been.

The majority of those on the executive committee are from the Santi Asok faction, Winai Somphong's faction, Suthep Atthakon's faction and another clique made up of MPs [members of parliament] who defected from other parties.

All the factions still show deep respect for Chamlong, whom they consider inseparable from the Phalang Tham Party he founded in 1988.

"Despite everything that has happened since the founding of the party, Chamlong remains its main selling point, so to speak," said a senior Phalang Tham member who asked not to be named.

Although Chamlong is not on the new executive committee, it is understood that he still commands the loyalty of a majority of his party members. Chamlong will continue to exert his influence despite Bunchu being elected the new leader.

"You are the leader. You will always be our leader," Bunchu told Chamlong before party members shortly after it was officially announced that he had been elected the new leader.

Chamlong plans to set up a school in Kanchanaburi to train a "new generation of future political leaders". He said he wanted to step aside as party leader to prove that Phalang Tham does not depend solely on one individual's charisma.

Few believe he will be gone for good. Many doubt he has actually gone.

On the eve of Saturday's election of the new executive board, he asserted his influence to defuse a looming crisis as some factions scrambled to fill a power vacuum created by his pledge to leave politics.

Chamlong's insistence that all top contenders for the new leadership select from among themselves a sole candidate for Saturday's election made Bunchu emerge as a compromise choice.

Chamlong himself was responsible for the crisis after his tacit support for a front-runner, Foreign Minister Prasong Sunsiri, stirred resentment among some party members who viewed Prasong as an aggressive newcomer.

Winai, the new secretary-general, has been closely associated with Chamlong from the very beginning. Winai served as secretary to Chamlong when he was the governor of the Bangkok Metropolitan Administration.

As for the Santi Asok faction led by Thamrong Saengsuriyachan, Chamlong commands their total obedience.

Although Suthep has publicly disagreed with Chamlong on the principle of nominating candidates for the new leadership, he and his faction are no match for Chamlong.

Sources in the Phalang Tham said that when Suthep showed his displeasure with Chamlong's idea of a sole nominee he was only trying to draw attention to himself so he could get reelected as deputy party leader.

Suthep said he wanted party members to nominate a number of candidates to stand for the party leadership post instead of having a single candidate chosen for them.

A source belonging to the Santi Asok faction said he believed members of all factions were still loyal to Chamlong and would bow to any wishes he made.

However, it would be misleading to say that the internal rift in the Phalang Tham Party was resolved with the executive committee election last Saturday.

A prominent member of the Santi Asok faction said he believes peace will prevail within the Phalang Tham Party for some time now that members of the different factions have apparently succeeded in the delicate task of dividing the seats on the executive committees among themselves.

All the factions, the old guards who adhere to the old ideology and the newcomers who want to transform the Phalang Tham into a full-fledged political party, are quite content with the current status quo.

Members of the Santi Asok faction, the single biggest block in the party, continue to dominate the executive committee and thus determine its policy.

"We welcome newcomers to the Phalang Tham as long as they contribute positively to the party," said one Santi Asok faction member. "We have even give them important Cabinet posts. Some of our founding members even stepped aside to allow them to serve the country in the name of the party.

"But we must control the executive committee because newcomers have yet to prove their loyalty. We don't want them in a position to decide the party's future," the source said.

The source predicted the party will continue to enjoy the same level of grassroots support from its traditional base, but added that it is difficult to envisage its popularity growing dramatically in the years to come.

"The Phalang Tham will have to project a new public image that emphasizes the collective achievement of party members rather than the solo work of Chamlong Simuang," the source said.

Chaiwat Sinsuwong, who was re-elected as party registrar, said the party will concentrate on consolidating the diverse ideological bents among its members to produce a clear identity.

"This is what the party leader, whoever he may be, must do. The Phalang Tham Party has found its role in national politics. We succeeded in the general election in September and became part of the coalition government. Now we must build our party based on our past achievements," Chaiwat said.

Some Phalang Tham members see Bunchu's rise to the party's top job as a compromise solution to the strife between the old guard and the new members. They said the move is aimed at giving Winai two years to establish himself as a worthy contender for the next election in 1995.

Bunchu himself seems to be aware that he is serving as another caretaker party leader and that he is going to get all the help he needs from Chamlong whenever major problems arise.

Natural Gas Pipeline With Malaysia Viewed

BK2901020393 Bangkok THE NATION in English 29 Jan 93 p B1, B2

[By Thitinan Phongsuthirak and Phichaya Changson]

[Text] Dato Sri Samy Vellu, the Malaysian Minister of Energy, Telecommunications and Posts, confirmed yesterday that construction of Malaysia's pipeline will reach the Thai border in three years from now, allowing his country to sell natural gas to Thailand.

He said the gas will be supplied through the northern state of Kedar. A similar hook-up between Malaysia and Singapore is already in operation, having come on line last year. The Malaysian minister attended yesterday's Asean Economic Ministers Energy Cooperation which followed the Senior Officiais' Meetings on Monday and Tuesday.

Petroleum Authority of Thailand [PTT], meanwhile, plans to build a pipeline from the border to Songkhla province and Kanom of Nakom Si Thammarat province to take delivery of the Malaysian gas.

Vellu said Malaysia's natural gas production capacity is vast enough to last more than 70 years of domestic consumption. However, the current distribution network is still limited benefitting only some states. By 1996-97, the distribution channels will be expanded to cover all parts of the country, including the northern states bordering Thailand.

Such a development would produce an inter-locking gas distribution system extending from Thailand to Singapore with Malaysia as the central pillar providing the gas. "Our natural gas to Thailand could be used for power generating purposes or simply for domestic use. This would benefit both countries and peoples," he said.

Negotiations to create the gas linkage are being carried out by Malaysia's Petrona and PTT. The project was also discussed yesterday.

In his opening speech, Deputy Prime Minister Banyat Banthatthan called for the creation of the Thai-Malaysian linkage as well as a broader tran-Asean gas pipeline project. He said international economic conditions are becoming stiff, thereby necessitating greater cooperation among Asean. Banyat acknowledged that an Asean-wide gas pipeline may still have a long way to go, but said bilateral results have been encouraging.

"The proposed idea of trans-Asean gas pipeline project which has not yet been finalized for all Asean members' participation has achieved some tangible result at the bilateral level. Malaysia and Singapore have already connected their pipeline. Consultations between Thailand and Malaysia on a similar approach is now under way, and I hope positive achievements can be reached soon.

Banyat urged Asean to 'prioritize' and put a 'time frame' on the projects overseen by its various committees using the Asean agreement on the Enhancement of Energy Cooperation as a framework.

Meanwhile, a team of World Bank officials is to discuss a US$200- million loan for a submarine gas pipeline with Petroleum Authority of Thailand early next month.

The PTT is planning to build a second gas pipeline from the Erawan field in the Gulf of Thailand to Mab Ta Put in the eastern province of Rayong. Deputy Governor for policy and planning, Pratin Phathhanaphon, said the US$650-million project will be 75 per cent funded by loans.

The PTT will also seek loan of more than US$100 million from the Asian Development Bank and US$80-100 million from Japan's exim bank. Both loans will be used to pay for materials. The rest of the borrowing will come from commercial banks.

He said four companies, including Bechtel, have expressed interest in bidding for the engineenng consultancy contract to fix specifications and design the project.

The new pipeline will run parallel to the existing 10-year old line.

The entire loan package is expected to be finalized in the middle of this year.

The new pipeline should be open in early 1996 with a capacity of 850-1,000 million cubic feet per day. The pipe will have a submarine diameter of 36-42 inches, and 28-32 inches onshore.

Wirot Mawichak, assistant governor for corporate finance, said in the next five years the PTT will invest no less than Bt[baht]40 billion in natural gas, including Bt2 billion on the pipeline project for gas delivenes around Bangkok US$650-million on the submarine pipeline and the remainder on the third gas separation plant in Rayong, a gas pipeline from Malaysia to Songkhla and Kanom, a pipeline from the Joint Development Area bordering Thailand and Malaysia to the Bongkot field in Thai territory and a pipeline from Burma to western Thailand.

'Urgent Assistance' Allocated to Farmers

BK2801014393 Bangkok THE NATION in English 28 Jan 93 p A2

[Text] The Cabinet has allocated Bt [baht] 172 million to provide urgent assistance to more than 70,000 families in nine provinces whose paddy farms had been damaged by disease, a deputy government spokesman said yesterday.

Montri Danphaibun said the allocation was approved during Tuesday's Cabinet meeting to help 319,000 people in 77 districts of nine provinces, most of them in the northern and northeastern regions.

The spokesman said each family would be given about Bt50-worth of dried foodstuff or cash for 90 consecutive days because their farms yielded too little rice for them to survive the three-month period before the new harvesting season.

The nine provinces where rice-fields were extensively damaged are Chiang Rai, Tak, Mae Hong Son, Lampang Chiang Mai, Phichit, Phayao, Lamphun and Si Sa Ket, according to Montri.

The spokesman said the disease had caused most of the rice plants to produce only husks.

The government had earlier set aside Bt14 billion for market intervention to shore up paddy prices. Critics said the intervention scheme would not really help the farmers if many of them had nothing to sell.

Chief of Chiang Rai provincial agricultural office, Niran Khamwongsa, told THE NATION that the disease had been spreading in northern provinces since October.

Niran said about 760,000 rai of paddy farms in Chiang Rai were destroyed and farmers lost around Bt760 million they would have received from the sale of their crop.

Vietnam

Khmer Rouge Boycott of Presidential Poll Decried

BK2801132493 Hanoi Voice of Vietnam in English 1000 GMT 28 Jan 93

[Station commentary]

[Text] The Khmer Rouge have refused to register for the UN-sponsored election to be held in Cambodia in May this year. According to foreign sources, by January 26, the deadline for the registration of Cambodian political parties to take part in the election, the Khmer Rouge still refused to register their registration in the election. Their outmoded demands were for the removal of foreign troops from Cambodia, and the strengthening of the power of the Supreme National Council [SNC] of Cambodia. In a statement issued in January 26, Khmer Rouge ring-leader Khieu Samphan said that so long as his faction's demands are not met, he does not take part in the election.

Democratic Kampuchea continues to stick to their old demands for the strengthening of the SNC power, the verification of the withdrawal of foreign troops in Cambodia, allowing their control of five key sectors, and the setting up of police from the four factions, (?and zones) of military units of the four factions in all districts and provincial towns in the Battambang Province.

The Khmer Rouge raised the demands to justify their boycott of the coming election. This shows that the faction continues to nurture their ambition to return to power in Cambodia. However, analysts said that the UN-sponsored election will be held in Cambodia in the areas controlled by the other three factions, which account for 85 percent of the whole territory, and 90 percent of the population.

In the interview granted to a correspondent of LIBERATION, UNTAC [UN Transitional Authority in Cambodia] Chief Akashi said: "The situation in almost all parts of Cambodia is calm. Most Cambodians have registered to take part in the election." This is proof that the Cambodian people want to promote the process of democracy and reconstruction in Cambodia.

Japanese Trade Delegation To Visit 3-9 Feb

BK2801063393 Hanoi VNA in English 0625 GMT 28 Jan 93

[Text] Hanoi VNA Jan. 28—A big trade delegation of Japan led by Akira Nishio, chairman of the Economic Committee of the Japan Federation of Economic Organizations (Keidanren), will pay a visit to Vietnam from Feb. 3-9, announced a representative of Keidanren on Jan. 25.

The delegation will comprise 120 businessmen from 70 companies, including such giants as Nissho Iwai, Mitsubishi, Sony, Tomen, Mitsui, Bank of Tokyo and Sakura Bank.

While in Vietnam, the delegation will take part in the first Japanese-Vietnamese Economic Conference in Hanoi, and visit a number of industrial etablishments.

The delegation's visit is aimed at enquiring into opportunities of investment in Vietnam, including investment in privately-owned enterprises. The delegation might ask the Vietnamese Government to consider a number of suggestions on the legislation bearing on foreign investments.

This is the third and biggest delegation of Keidanren to visit Vietnam. The first visit was made in 1978 and the second in 1991.

Deputy Premier Speaks on Smuggling Problem

BK2801152993 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 27 Jan 93

[Text] Comrade Phan Van Khai, deputy prime minister, presided over a conference held in Ho Chi Minh City this morning, 27 January, to hand down the 1993 market control and antismuggling tasks to various echelons and sectors—internal revenue, customs, financial, and banking—and various provinces and cities nationwide.

Deputy Prime Minister Phan Van Khai pointed out: One of the greatest challenges the government will have to face before the people in 1993 is how to effectively carry out the antismuggling and anticorruption tasks. Therefore, to ensure high results for their 1993 antismuggling and anticorruption tasks, responsible branches and sectors should achieve closer and more harmonious coordination, ensuring that their crackdowns have key targets and are directed against the right ringleaders. Efforts should especially be made to fight negativism right within those units in charge of fighting smuggling activities.

It is necessary to put an end to the situation where public organs allow smugglers to hide under their business signboards, and where they use public transporation means to engage in smuggling activities, or help smugglers with the transportation of smuggled goods.

In 1993, continued efforts will be made to bring various smuggling cases to public and fair trial. The point is that as the Vietnamese economic sector opens its door to welcome all cooperative business relations with foreign countries while developing various sources of capital for in-country businessmen, we should not resort to the use of rigid restrictive orders but should instead flexibly deal with smuggling activities on a case-by-case basis.

As an immediate task, provincial and city echelons should step up efforts to invest in increased production and to introduce ever-larger quantities of our high-quality commodities into the market. In the near future, the government will only allow the importation of certain kinds of essential goods and will specify which sectors will have the right to import goods. This is to avoid a confused state of competitive buying and selling as is presently the case.

Tax collection activities should also be reviewed because it is wrong to think that with high taxes we can tackle the scourge of smuggling. Instead, we should come up with a correct taxation policy. We should use economic and other antismuggling measures as the main weapons. This is the basis on which to restrict and then liquidate the current scourge of smuggling.

Court Sentences Smugglers

BK2701100693 Hanoi VNA in English 0622 GMT 27 Jan 93

[Text] Hanoi VNA Jan. 27—During three days from January 18-20, the Supreme People's Court opened in Ho Chi Minh City a first-instance and also last instance session to try Ng. Boon Kwe (A Quy), Tran Xuan Tuan (alias Black Tuan) and their accomplices for smuggling and trading in banned goods.

A Quy is a Singaporean national and a trader born in Singapore in 1961. In December 1988, he was arrested by the Singaporean police and prosecuted for his connections with a robbery organisation. He was released on 100,000 US$ bail. The case is awaiting trial.

From September 1990 to March 1991, A Quy and accomplices with the collaboration of crew members, mechanics and police at Tan Son Nhat Airport smuggled more than 600 kilograms of gold and 28,800 Japanese watches to Vietnam by air and by sea.

A Quy's most active collaborator was Tran Xuan Tuan, a border police at the Tan Son Nhat Airport.

After carefully considering the criminal acts of each of the 11 accused brought to court, the jury sentenced Ng. Boon Kwe alias A Quy to life imprisonment. He has also to pay 40 million US dollars of fine and has all his property confiscated.

The other accused are sentenced to prison terms ranging from 10 to 16 years.

Hanoi Party Issues Resolution on 1993 Tasks

BK2701040193 Hanoi Voice of Vietnam Network in Vietnamese 1000 GMT 14 Jan 93

[From the 14 January press review]

[Text] Dear friends: HANOI MOI today carries on page 1 the text of the resolution of the sixth session of the 11th Hanoi Municipal Party Organization Executive Committee. It says that the committee recently met to evaluate the 1992 socioeconomic situation, discuss orientations and tasks for 1993, pass an anticorruption plan, and decide on an urban planning and management program and another program for rearrangement of production and trade in its area of responsibility.

Socioeconomically, the resolution points out that this year the party and the people of the capital city should strive to successfully achieve the following essential targets:

—Create favorable conditions for further development of various economic components.

—Develop labor and technical potential and capital investment in production and business to effect rapid changes for the better in the economy of the capital city.

—Adopt effective measures to provide employment for working age people.

—On the basis of rearranging state-run enterprises, intensify in-depth capital investment in order to enhance the efficiency of production and trade and to produce high-quality products, especially those for export.

—Attach importance to efforts to direct programs for suburban economic development and for building new rural areas.

—Increase production and processing of agricultural products.

—Quickly increase export value.

—Increase economic cooperation with foreign countries.

—Strive to prevent sudden rises in commodity prices, especially the prices of essential goods.

—Accelerate activities in education, public health, culture, physical education, sports, population, and science and technology in order to step by step improve the people's material and spiritual life.

—Concentrate capital investment on building technical and social infrastructure to gradually change the face of the municipality.

—Enhance discipline and law enforcement.

—Effectively deal with social vices.

—Actively deploy measures against corruption, smuggling, and other types of crime in order to firmly maintain political security and social order and safety.

—Concentrate on solidifying the grass roots, renovating the task of cadre organization, and improving the operational management efficiency of the administration at all levels.

Development Plan for Ho Chi Minh City Approved

BK2101143593 Hanoi VNA in English 1359 GMT 21 Jan 93

[Text] Hanoi VNA Jan. 21—The prime minister has approved the master plan for the expansion and development of Ho Chi Minh City.

The decision points out that Ho Chi Minh City is the biggest industrial centre of the country, a major centre of science and technology, finance, trade, and services, a convenient place for the exchange of goods in the southern part of the country and with foreign countries. The decision stresses that the master plan for Ho Chi Minh City must take into account not only its own conditions but also its experiences with other areas in the country and with other countries. On the other hand, it must be conceived in the context of the present and future of the scientific and technological revolution in order to avoid the mistake of many [word indistinct] countries in their strategies of urbanization.

The plan must combine development with transformation, construction and overcome the irrationalities left by history. The decision said that the city population should not exceed 5 million by the year 2010.

The main direction is northward to Thu Duc and per capita land acreage should be limited to 50-60 square meters. The plan also includes the building of more bridges across the Saigon River.

ROK Bank To Open Ho Chi Minh City Branch

BK2601111293 Hanoi Vietnam Television Network in Vietnamese 1200 GMT 16 Jan 93

[Text] The South Korean news agency YONHAP has reported that the Finance Ministry of the Republic of Korea [ROK] has given approval for the Shinhan Bank to open an office in Ho Chi Minh City. This is the third ROK bank to open in Vietnam. YONHAP also quoted an official of the ROK Finance Ministry as saying that two or three other ROK commercial banks will also open in Vietnam in the near future.

Premier Issues New Policies on Culture, Art

BK2101140993 Hanoi VNA in English 1327 GMT 21 Jan 93

[Text] Hanoi VNA Jan. 21—The prime minister of the government on Jan. 19 issued a decision to apply new policies and amend some others on cultural and art work.

Under the new policies, the state will cover 100 percent of the expenditures for the restoration and upgrading of revolution relics related to the activities of the party and the fight for national liberation. It will provide part of the fund and mobilize all sources including aid and investment from abroad to preserve and renovate other historic relics including religious relics which have been classed as national relics.

The state will invest 100 percent in the development of the traditional arts as well as modern opera, symphonic orchestras, circus troupes at the centre and in the provinces.

It will partially fund the activities of collectives and families which engage in performances or training in traditional arts and music.

Books and newspapers will be supplied free to libraries in areas with difficult conditions or general schools in remote mountain areas.

A literature and art prize fund of the government will be set up.

Poland Hopes for Further Economic Cooperation

BK2801143593 Hanoi VNA in English 1331 GMT 28 Jan 93

[Text] Hanoi VNA Jan. 28—'Poland treasures its time-honoured economic and trade relations with Vietnam and wishes that these relations be further developed' said Polish Charge d'Affaires a.i. [ad interim] Stanislaw

Skowron [name as received] at a press conference here today. The Polish diplomat expressed satisfaction at the continued development of the friendship and cooperation between the two countries. He cited as example the recent visit to Vietnam by a Polish maritime, economic delegation, during which a number of documents were signed, and said that it provided a good oppotunity for strengthening the bilateral cooperation.

Fiji

France Questions Commitment to Good Relations

BK2901044893 Hong Kong AFP in English 0431 GMT 29 Jan 93

[Text] Wellington, Feb 29 (AFP)—The French Government questioned Friday Fiji's commitment to maintaining good relations with Paris following the expulsion of a French diplomat from Suva.

Carine Kobler, an attache at the embassy in Suva, and her husband were given a week to leave Tuesday following a dispute over 15,000 Fijian dollars (9700 U.S.) duty on a 10-metre (33-foot) yacht she had imported.

"The French Government regrets this unfriendly action," a statement issued by the French Embassy here, and elsewhere in the region, Friday said.

It said the French Government could not accept "the narrow interpretation" of Article 36 of the Vienna Convention on Diplomatic Relations that the Fijian Government had put forward to justify its move.

"The Fijian authorities consider that, even in the absence of local legislation clearly showing the act to be illegal, a government may at its own discretion restrict the right of diplomatic personnel to tax exemption on goods imported for personal use," the statement said.

It added that because the decision "was based on a straightforward dispute concerning customs legislation, the French Government can only question the level of commitment of the Fijian Government to maintaining and developing the good relations that otherwise exist between the two countries. [no closing quotation marks as received]

Papua New Guinea

Prime Minister Suspends Provincial Government

BK2801131593 Melbourne Radio Australia in English 0803 GMT 28 Jan 93

[From the "International Report" program]

[Text] Papua New Guinea's [PNG] Prime Minister Paias Wingti has announced the suspension of another of his country's provincial governments. It is the Gulf provincial government. The Gulf Province is northwest of the capital, Port Moresby, and fronts the Gulf of Papua. Sean Dorney reports that eight of the country's 19 provincial governments are now suspended and most of them for alleged financial irregularities.

[Begin recording] [Dorney] The suspension of the Gulf provincial government becomes effective immediately but responsibility for administration in the province going to an administrator, (Jacob Kari), an experienced public servant who is PNG's first-ever high commissioner to Solomon Islands. Prime Minister Wingti said the suspension follows a report from the PNG auditor general which he said confirmed widespread misappropriation, mismanagement, nepotism, and favoritism. He said there were no financial controls in place and no discipline in the way money was spent.

[Wingti] The auditor general's report which clearly indicates misuse of public funds. We got some figures here. A total of 220,000 [currency not specified] was spent by 22 (?companies) of which accountability was not made and under the public finance management act, must go to account for that, under a proper accountant. And [words indistinct] a loss close to 288,000 was made in cash advance to provincial's top politicians and that's a loss of 288,394. And also there are some projects which the funds were allocated for, 1 million kina, in which proper records were not kept.

[Dorney] Mr. Wingti said that amongst the unsatisfactory features noted in the special order was a contravention of laws in relation to preparation and maintenance of proper records and accounts, the failure to submit regular financial statements, and the failure to establish administrative and financial controls over provincial government spending. He said that in one major project, the (Kikori) infrastructure project, a large amount of money was released in advance to the project consultants without there being any constructional development of the intended project. Elsewhere, supplying tender procedures were violated, contracts were given to friends and relatives, and to businesses associated with provincial government ministers and senior provincial government officials. As well, members of the government gave themselves excessive housing entitlements and other generous retirement benefits. Mr. Wingti listed the provincial governments now under suspension.

[Wingti] The Gulf, Milne Bay, Morobe, Western Highlands, Southern Highlands, East Sepik, North Solomons, and Western Province.

[Dorney] Prime Minister Wingti wants to do away with provincial governments altogether and the bipartisan committee of the National Parliament is presently touring PNG attempting to sell its proposed [words indistinct] when under which one's provincial assemblies will be replaced by a provincial authority made up of members of the national parliament and local council presidents. No doubt, the suspension of yet another provincial government is aimed at destroying the credibility of those who argue that the current system be retained. [end recording]